



MERA FONG CITY LOCAL MUNICIPALITY

ANNUAL REPORT

2023/24

Vision:

An economically sustainable, community oriented and safe city

Mission:

To create an enabling environment that is transparent and accountable to the community, by providing excellent, effective and efficient services

Chapter 1

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

MAYOR’S FOREWORD

On behalf of Merafong City Local Municipality Council and officials, I hereby present the Annual Report for the 2023/2024 financial year. This Annual Report will give our communities and stakeholders an insight into the performance, achievements and challenges of the Municipality.

The mandate of Merafong City Local Municipality is not unique to the broader mandate given to local government, which is outlined in the Constitution of the Republic of South Africa, Act 108 of 1996, Chapter 7. The Constitution (1996) makes provision for the basic objects of local government in section 152 and one of the objects of local government is to ensure the provision of services to communities in a sustainable manner. Furthermore, to provide democratic and accountable government for local communities in line with the stated constitutional provisions. Merafong City Local Municipality is in the mission to provide sustainable services to its local communities.

Our focus as an institution is guided and driven by the Integrated Development Plan (IDP), a five-year (5-year) strategic plan (aligned to the current term of office). The IDP is reviewed annually so that the Municipality can always be confident that it is addressing the needs and concerns identified by its local communities. It also takes into consideration the current resources into account i.e. municipal budget. The strategic goals and priorities of the Municipality are cascaded into the strategic and operational plans of all directorates. By so doing, it is ensured that every effort at any point in time is constantly being made to achieve the required targets and desired outcomes.

The Municipality embarked in a process of community and stakeholders’ consultations as part of the IDP/Budget process of 2023/2024 financial year. Our communities confirmed that whilst a lot has been done since the advent of developmental local government to defeat the injustice of apartheid and lot still needs to be done to ensure proper financial management and good governance, better roads, deliver clean and reliable water supply, provide proper sanitation, lastly to create opportunities for jobs and grow the city’s economy.

We have worked relentlessly to improve the audit opinion by committing to changing the status quo and bringing stability into the Municipality. The Municipality filled critical key executive managerial positions such as the position of the Municipal Manager, Chief Financial Officer, Deputy Chief Financial Officer, Chief Operations Officer, Executive Manager: Corporate Shared Services, Executive Manager: Economic Development and Planning and Executive Manager: Energy.

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The Municipality further, filled managerial positions such as Manager: Financial Reporting, Manager: Strategy and Integrated Development and Planning, Manager: Infrastructure Investment Planning & PMU, Manager: Revenue, Manager: Supply Chain Management, Manager: Organisational Development and other managerial positions to assist with developing relevant action plans to addressing audit matters and other shortfalls faced by the Municipality. These action plans contributed to ensuring that we put the Municipality in a better position to improve the 2022/2023 audit opinion. During 2023/2024, the Municipality received a qualified audit opinion, which demonstrates the unwavering commitment of the Municipal Council and officials to become a beacon of success, progress, and accountability.

Another important change is that Merafong City Local Municipality unveiled the Reimagining Merafong: Vision 2035 during a closed Business Breakfast that took place on Wednesday, 26 June 2024. The Vision 2035 is an urgent economic rescue mission to sustain the economic activity in Merafong City and to attract new investments into the Municipality. This rescue vision requires the diversification of the economic baseline of the municipality. Diversification entails supporting the growth of the existing economic sectors in the Municipality as well as identifying attracting new sector investments.

The concept is premised on six (6) pillars, which aim to facilitate the diversification that Merafong City's local economy urgently requires the pillars that are informed by an assessment of the Municipality's current economic profile and type of economic interest that both the public and private sectors have shown in the Municipality.

The six (6) important Pillars of Re-imagining Merafong City are:

- Renewable Energy
- Tourism
- Agriculture
- High-Valued wildlife Real Estate
- Township Revitalisation
- CBD Rejuvenation

To fully unlock the potential of Merafong City Local Municipality, traditional business practices must be dismantled and the new approaches must be embraced that foster economic diversification and sustainable growth.

This Annual Report will clearly show that the Municipality is moving in the right direction and we will continue to engage, inform and work closely with our local communities so that they know exactly what is happening within their Municipality.

I would like to express my heartfelt gratitude to the Political Management Team, our Mayoral Committee members and fellow Councillors for their sterling support and leadership. I would like to thank the Municipal Manager for his dedicated leadership as well as management and staff for their tireless efforts in executing the Merafong City Local Municipality mandate.

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I also wish to take this opportunity to thank our communities for their continued trust in their Municipal Council and to our stakeholders for their support in the programs and initiatives that we bring to them. We commit to making necessary planning to overcome our challenges and to realize the Vision 2035.

CLLR N BEST
EXECUTIVE MAYOR
MERAFONG CITY LOCAL MUNICIPALITY



(Signed by :) _____
Cllr. N Best
Executive Mayor

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COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW

MUNICIPAL MANAGER'S OVERVIEW

We present to you the Annual Report for the financial year 2023/24, in alignment with our visionary Integrated Development Plan (IDP). Ours is the vision to create an economically sustainable, community oriented and a safe city for all residents of Merafong City Local Municipality. The 2035 Vision aptly named Re-Imagining Merafong explicitly demonstrate in detail focus areas of development in our journey to return Merafong to its rightful place in the economy of Gauteng province and the Republic.

The 2035 Vision pipeline aims to ensure the Municipality reverses the economic, infrastructure, township and city centre decay. We seek to attract a considerable number of investors to ensure a new economic trajectory to mitigate the closing of mines and create new areas of economic growth and job creation. T

This long-term vision has a potential of serving as a catalytic vehicle in the developmental agenda of our Municipality. We will spare no effort in ensuring that there is coherence and commitment in achievement of Merafong City Local Municipality that serves and services its people.

Merafong City Local Municipality masterplans in critical areas of service delivery like water, sewer, infrastructure to name a few together with national development plan goals, Growing Gauteng Together (GGT2030) vision in synchrony of actions will lead us to a better future for the people of Merafong. We have in a deliberate manner filled critical vacant posts with skilled, qualified and fit for purpose men and women to turn our Municipality around.

My team and I are committed and dedicated to excellent execution of tasks as captured in the objects of local government, section 152 (1) of the Constitution of South Africa. Predicated by legislative and regulatory framework, our performance management processes will monitor, evaluate and assess municipal performance of services delivery and budget implementation plan (SDBIP). This is intended to measure performance of individual employees, departments and the municipality.

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The municipality is steadfast in improving its financial prudence and viability. To this end, we are unwavering in pursuit of improved audit outcomes. The new financial system (CCG) is maturing by the day. The Municipality can address compliance expectations and reporting as dictated by Municipal Finance Management Act (MFMA).

The municipality was still battling with the cash flow challenges during 2023/2024 financial year. To improve the municipal financial position, the Financial Recovery Plan (FRP) was presented and approved by council. In order to ensure proper implementation of the plan the financial recovery indicators are incorporated in the Service Delivery and Budget Implementation plan and the performance agreements for each executive director. The FRP binds municipality in the exercise of its legislative and executive authority to the extent necessary to solve the financial crisis

The municipality has developed a financial forecasting model to set financial targets for the Merafong City Financial Recovery Plan over the MTREF period. The financial model escalation formulas will use an average annual inflation rate of 5% and as local growth of 1% per annum over the recovery period. Grounded on adherence to the budget parameters, it is anticipated that the municipality will progressively move towards a position of improved financial sustainability over the 3-year period.

If key implementation on operational efficiencies are achieved in line with Financial Recovery Plan, it could be expected that the projected cash shortfall of R1,47 billion at the end of the 23/24 Financial Year will likely improve to a cash surplus of R31,87 million at the end of the 2026/27 Financial Year.

While the municipality is faced with challenges of water and sanitation largely due to dilapidated infrastructure, we have continued to invest heavily in infrastructure upgrades, development, and maintenance within the constraints of our budget. The work is underway to refurbish the wastewater treatment works plants and water pipes to improve the quality of these services, as well as the installation and maintenance of streetlights.

The Municipality collects refuse on regular basis to improve quality of life of the people of Merafong. In partnership with our communities, we will address the non-revenue water and electricity. The illegal connection of electricity and the bridged water meters have negatively affected the financial viability of our municipality.

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Merafong City Local Municipality is one of the Energy Efficiency conscience institutions where various interventions have been implemented. All buildings were audited for

consumption and a baseline was created. The retrofitting of all building lighting to LED was implemented which has reduced consumption of lighting in municipal buildings by more than half. The water services department has a water conservation (WC) and a water demand management (WDM) plan. These are strategic documents on conserving water. They include public awareness on water use by community members to conserve water.

As a caring local government guided by our values of innovation, integrity, accountability, and transformation, we have continued to invest heavily in infrastructure upgrades, development, and maintenance, as this report will demonstrate. Key priorities of the municipality remain safety and security, ensuring dignified living opportunities, and creating an environment conducive to economic growth and opportunities.

It is pleasing to report that Merafong City Local Municipality has improved its audit outcome by achieving a qualified audit opinion in the 2023/24 financial year, this despite being disclaimed in the prior years.

We are committed to continuous improvement and have put measures in place to ensure that we continue this upward trajectory of sound financial management and good governance. Merafong will work closely with the AG throughout the year to improve the AG key controls identified.

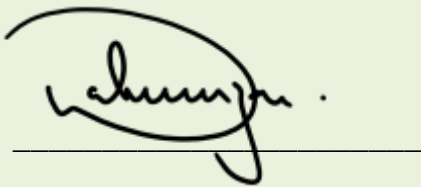
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CONCLUSION

Let me take this opportunity to extend my appreciation to the Political Management Team (PMT) and Mayoral Committee, the entire Council, my management team, and all officials for their tireless efforts and contribution to delivering on our vision of creating an economically sustainable, community oriented and a safe city for all residents of Merafong City Local Municipality. I also extend a word of gratitude to all government departments provincially and nationally for providing support to Merafong municipality.

DD MABUZA

MUNICIPAL MANAGER

A handwritten signature in black ink, appearing to read 'Mabuza', is written over a horizontal line.

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Chapter 1

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

INTRODUCTION TO BACKGROUND DATA

Roads and Storm Water

The municipality is constitutionally mandated to provide good quality roads and stormwater infrastructure to the community. To achieve this there has to be financial resources and Human resources. The municipality has to generate revenue from internally through provision of services to the community. From the generated income all maintenance needs have to be met, including roads and stormwater.

During the previous financial years, the Municipal Infrastructure Grant made an allowance to cater for maintenance needs within the grant. The condition set to access the grant is that the municipality must have an existing Master Plan, that will then inform the maintenance projects to be implemented by the grant. The municipality does not have the Master Plan in place, therefore cannot utilise the grant.

Since the municipality experienced challenges with generating sufficient income to cater for Infrastructure Maintenance, there has been drastic deterioration of the infrastructure. Financial constraints affected the performance of the municipality on roads maintenance. The conditional grants that are supposed to fund construction of new roads and stormwater are also not sufficient to address the current backlog that the municipality has.

The resealing of roads that were done with municipal revenue are no longer taking place due to the decline in revenue collection.

The municipality is exploring the alternative sources of funding for implementation of roads and stormwater projects to reduce or eliminate the backlog.

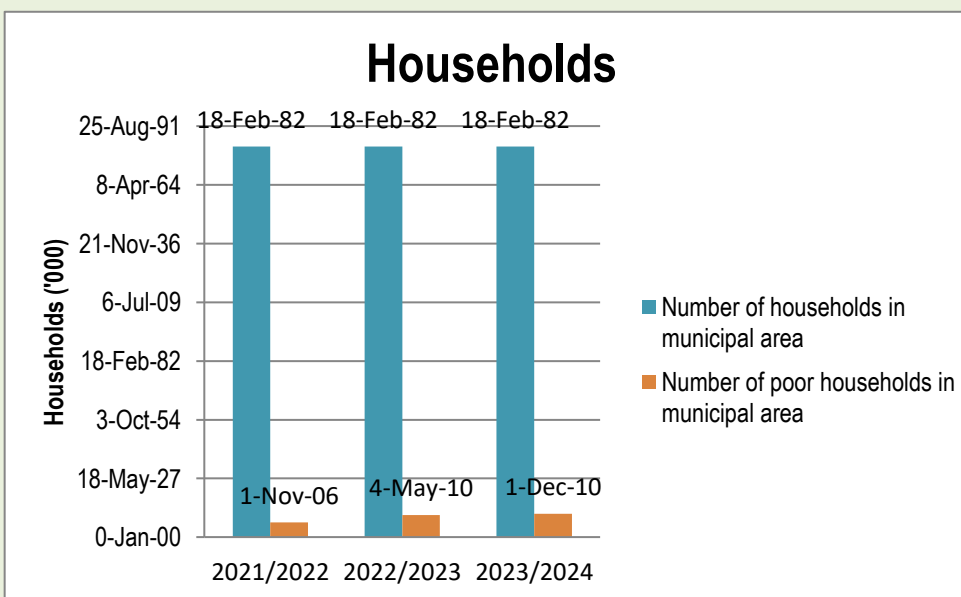
Operational funding generated by the municipality is the only source of fund that is utilised for maintenance of roads and stormwater infrastructure. The municipality has got more gravel roads in its network, that requires periodic maintenance in a form of grading. That could not be properly adhered to due to budgetary constraints that made it impossible to acquire the machinery. This affected the townships more, since they are historically disadvantaged areas with gravel roads.

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POPULATION DETAILS			
Population '000			
Age	2021/2022	2022/2023	2023/2024
	Total	Total	Total
Age: 0 - 4	15,434	15,287	15,191
Age: 5 - 9	17,437	17,503	17,539
Age: 10 - 14	18,685	18,681	18,700
Age: 15 - 19	15,818	16,662	17,448
Age: 20 - 24	12,425	12,379	12,489
Age: 25 - 29	13,727	13,436	13,127
Age: 30 - 34	11,493	11,036	10,649
Age: 35 - 39	10,187	9,924	9,668
Age: 40 - 44	13,737	13,641	13,623
Age: 45 - 49	20,089	20,433	20,832
Age: 50 - 54	17,617	18,396	19,184
Age: 55 - 59	10,375	10,749	11,142
Age: 60 - 64	6,311	6,490	6,687
Age: 65 - 69	4,802	4,998	5,208
Age: 70 - 74	3,717	3,884	4,067
Age: 75+	3,523	3,702	3,906
Total	195,377	197,201	199,462

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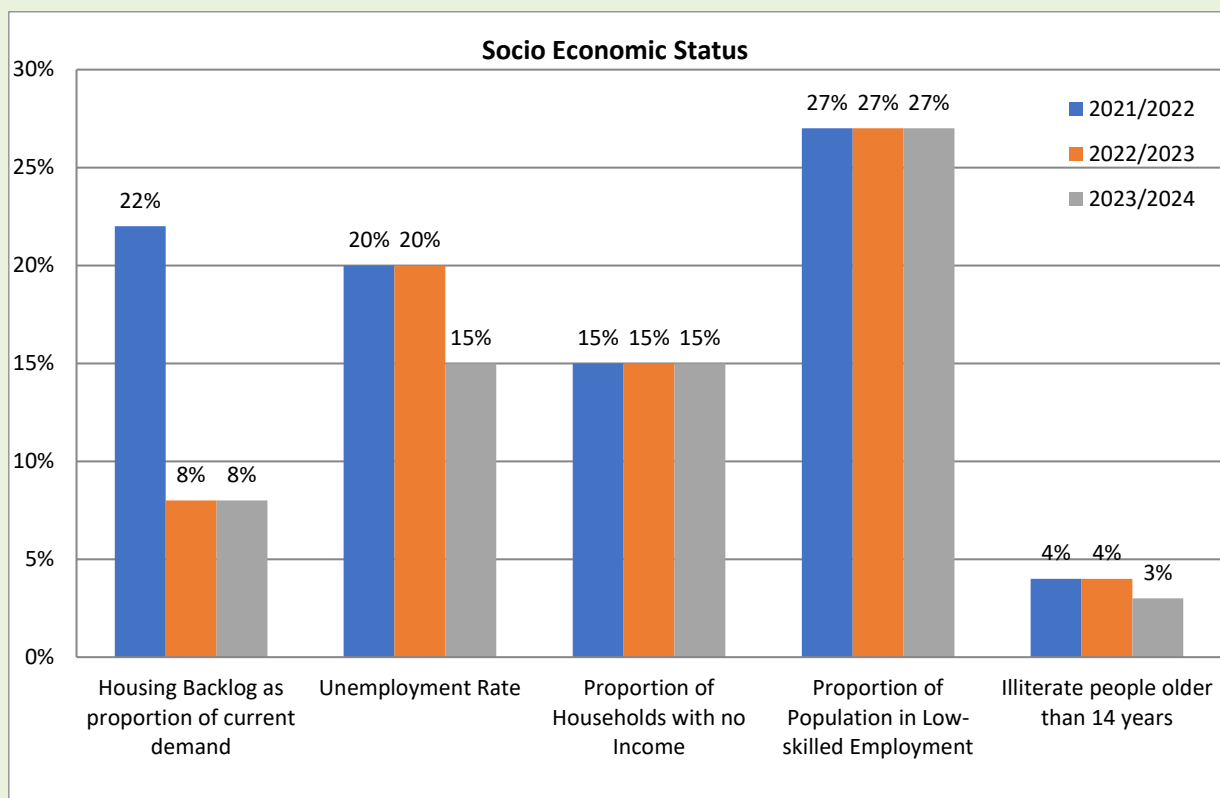


Source: Statssa Community Survey 2016 & Own Source

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Socio Economic Status					
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	Illiterate people older than 14 years
2021/2022	22%	20%	15%	27%	4%
2022/2023	8%	20%	15%	27%	4%
2023/2024	8%	15,4%			3,4%
Source: Statssa Community Survey 2016 & Own Source					T1.2.4



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Overview of Neighborhoods within 'Merafong Municipality'			
Settlement Type	Population 2011	Projection 2019	Projection 2024
NORTHERN URBAN AREA			
Carletonville	26 486	26 950	29 800
Wolverdam	2 706	2 801	2 901
Blybank	1 889	4 750	3 250
Khutsong (North)	62 457	37 630	28 519
Khutsong South		21 907	26 317
Elijah Barayi	0	1 200	4 953
Sub-Total	93 538	95 238	95 740
SOUTHERN URBAN AREA			
Fochville	9 504	9 837	10 811
Kokosi	26 400	26 400	25 576
Greenspark	2 586	3 312	3 362
Wedela	17 931	18 245	17 995
Losberg	0	0	0
Southern Total	56 421	57 794	57 744
MINING BELT			
Mining Belt	40 341	26 721	22 044
PROCLAIMED URBAN TOTAL	149 970	153 390	153 659
NON-URBAN	7 220	4 860	4 131
Grand Total	197 520	185 240	179 659
Own Source			T 1.2.6

Natural Resources	
Major Natural Resource	Relevance to Community
Agriculture	Vast tracks of unproductive agricultural zoned land owned by the mines and the Far West Rand Dolomitic Water Association (FWRDWA) present an opportunity for agricultural production and related industrial development, e.g. Establishment of a Bioenergy Park and Agricultural Parks (Agri- Parks)
Mining	The declining trend in the performance of the mining sector is due to temporary and permanent shut downs of mining activities which have weakened Merafong's GDP contribution to WRDM economy. High outmigration rates are fostered by job losses in mining and low incomes relative to earnings in other major cities within the Gauteng Province. The future of gold mining in the area lies in automation and

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	mechanisation which will change the mines' workforce and impact on employment in the Municipality.
Infrastructure & Access to Services	<p>The Department of Planning Monitoring and Evaluation conducted a survey during the country's first lockdown reviewing the impact of COVID-19 on the South African municipalities.¹³ The survey investigated, amongst other issues the impact of COVID-19 on municipalities' revenues, expenditures, and service delivery. The survey showed that the Gauteng metros were estimated to have lost over ZAR3 billion between May and June 2020. This was caused by the closing down of various businesses, leading to a decline in commercial rates revenue. The South African Local Government Association (SALGA) estimated that municipal revenue could have decreased by up to ZAR14 billion due to the pandemic.</p> <p>As far as the impact on expenditure is concerned, municipalities had to reprioritise the already stretched budgets to fight the effects of the pandemic. According to the survey, funds meant for the provision of basic services such as electricity, water, waste management and other infrastructure maintenance were redirected to COVID-19 related priorities. Before the pandemic, several municipalities were already struggling to deliver some basic services. This was mainly due to the pre-existing challenges, including deteriorating infrastructure that has not been maintained. In the Gauteng region, this includes the Vaal River sewage pollution and power outages.</p> <p>The GCRO's Quality of Life Survey for 2020/21 financial year shows that access to basic services in the province and its regions has remained stable over the years, with the exception for access to refuse removal. The survey indicates that there has been a decline in the proportion of respondents who had their refuse removed at least once a week.¹⁴</p>
Source: Quantec 2017 & IHS Markit 2022	
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1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY INTRODUCTION

The main basic services rendered by the services directorate of MCLM include water, sanitation, roads and stormwater and electricity.

Electricity Service

MCLM is licensed to supply the following areas with electricity: Carletonville, Welvediend, Portion of Khutsong, Watersedge, Blybank, Fochville, Greenspark, Kokosi and Wedela. Service Delivery challenges under electricity department varies from the theft and vandalism of electrical infrastructure to infrastructure that is no longer sustainable and supported by the manufactures for spare in case on maintenance and repairs, Inadequate funds to replace-old infrastructure as as well as the illegal connections affecting the revenue of the municipality and bulk purchase debt settlement processes. Provision of free basic electricity to indigent households as 50kwh units is provided every month in accordance to the indigent register.

Water and Sanitation

The municipality is a Water Service Provider, hence it is mandated to provide water and sanitation to its community. MCLM own water and sanitation infrastructure which serves the entire community of Merafong City Local Municipality. The municipality is faced with a major challenge of old infrastructure and dolomitic land that creates sink-holes frequently in process damaging infrastructure.

Provision of water and sanitation to the community of Merafong statistical for the year 2023/24 for water 99.70% and sanitation 98.74%. theft and vandalism of infrastructure, inadequate funding for refurbishment projects and ageing infrastructure remains a major problem on service delivery issues. Municipality is experiencing high water losses due un-metered, illegal connections and water leaks.

The funding for the provision of basic services is sourced from grant provided by provincial and national government, the Water Services Infrastructure Grant (WSIG) and the Integrated National Electrification Programme (INEP), particularly for the development of low-income areas. The strategy is to ensure the provision of road and storm water infrastructure while upgrading existing infrastructure in all new developments and existing areas, and maintaining existing roads.

The municipality is in process of performing Section 78 of the MSA 2000 by conducting an assessment on Service Delivery mechanisms. This due to failures to settle the historical debt from the water board and inadequate funds for replacement/ refurbishment of old infrastructure.

Currently, the provision of water services throughout Merafong City Local Municipality is achieved through portable bulk water abstraction from Rand-Water main line. Sanitation services rendered include sewerage collection, treatment, and disposal.

In areas where bulk water services are not available, water is provided through supplemented by water tanks. Basic sanitation services include biological and low-flush toilets.

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Roads and Stormwater

The core functions of Civil Engineering Services are as follows:

Provision of safe, ride-able and accessible roads infrastructure

Provision of sidewalks that are safe and accessible

Provision of traffic calming measures to ensure safe traffic flow

Provision and maintenance of adequate stormwater infrastructure

Upgrading of current roads and stormwater infrastructure

Maintenance of Municipal buildings and facilities

Coordination of Geotechnical management and legislative compliance

Ensure that the municipality has got the updated Master Plan and Pavement Management System for the roads and stormwater infrastructure

Register community needs on the IDP document and facilitate implementation of projects thereof.

Ensure that the SDBIP is aligned with needs as submitted through the IDP process, for the successful implementation of roads and stormwater projects

Implementation of Capital projects through various funding models.

Civil Engineering Achievements

The Key Performance Indicators, as contained in the SDBIP and Annual Maintenance Plan include:

1. Grading of roads in townships and informal settlements as well as farming areas that fall within our jurisdiction and cleaning of stormwater systems but could be performed minimally due to non-availability of budget to acquire required resources.
2. Cleaning of Stormwater systems which is cleaning stormwater channels throughout the municipality. This was not achieved according to plan due to non-availability of machinery.
3. Cleaning of Kerb Inlets was overachieved, despite the limitation in human capital within the section. The EPWP participants that were received were utilised to the maximum to clear the backlog and go beyond.
4. Patching of potholes was also achieved to the maximum, due to the initiative of partnering with the province in maintenance of internal roads and provincial roads within our municipality.
5. Tarred road maintenance was also over-achieved, due to a long time not being able to attend to the indicator due to non-availability of materials. Upon receipt of materials we attended to all areas that we could not reach out to previously. The backlog is vast, due to lack of periodic maintenance of roads affected by budgetary constraints.

MIG funding was utilised to construct new roads and stormwater projects.. The townships of Kokosi, Khutsong and Wedela have benefitted in the projects since they all have backlog of unsurfaced roads. Wedela and Kokosi have been addressed to a large extent leaving a few gravel roads to be implemented. In the upcoming years, focus will be in Khutsong township to eliminate the backlog of gravel roads.

During the year under review, the municipality could not achieve performance targets on cleaning of channels and grading of roads due to non-availability of machinery. The municipality is struggling to engage on certain maintenance activities due to budgetary constraints. We have abandoned certain programmes that had to do with long term maintenance of roads and stormwater infrastructure. That

Chapter 1

have also affected the filling of vacancies which has left the municipality with staff shortage that also impacts negatively on the proper functioning of the maintenance sections.

Surfacing of all existing gravel roads remains a critical need for the municipality, since the challenge makes it difficult and expensive to maintain roads and stormwater infrastructure. The challenge remains the non-availability of funds to address the issue.

T 1.3.1

COMMENT ON ACCESS TO BASIC SERVICES:

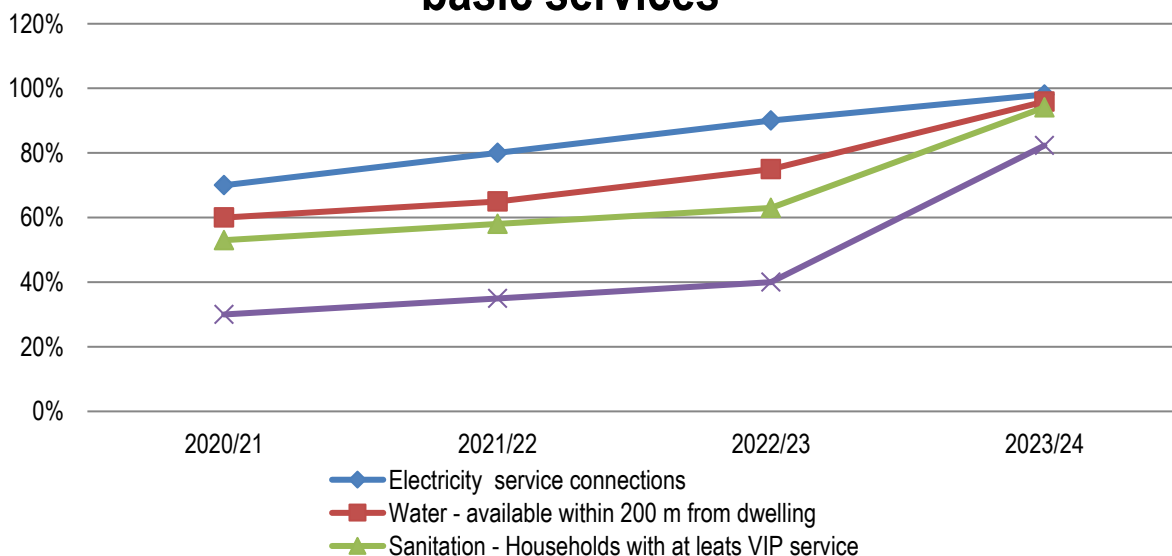
The shortfall on electricity is due to re-allocation of families and the newly built houses by human settlement as well as the backlog on informal settlement

All areas of the municipality have got access to roads infrastructure. The infrastructure comes at different standards whereby some are paved and some unpaved roads. The municipality is in the process of clearing the backlog of un paved roads, since they are heavy on the maintenance budget. The stormwater infrastructure is also provided according to the type of road in a specific area.

For unpaved roads the municipality offers mitre drains and open earth channels, whereas on paved roads we get stormwater reticulation in a form of piped network as well as concrete lined channels.. The municipality has got approved business plans to address the backlog of gravel roads on all townships.

T 1.3.3

Proportion of households with access to basic services



T1.3.2

Chapter 1

1.4. FINANCIAL HEALTH OVERVIEW

FINANCIAL OVERVIEW

The municipality had a disclaimer audit opinion in the year 2022/2023 financial year. After the audit was completed by the Auditor General of South Africa the OPCA monitoring plan was developed. Tasks are assigned and activities are distributed to all departments for implementations.

These mainly relate to internal control issues and compliance issues due to capacity challenges.

The departments with more findings raised are SCM and Expenditure while the remaining findings emanates from various departments. Auditor-General linked the slow progress on addressing the findings to high vacancy rate within the municipality, the lack of internal controls and segregation of duties which is currently being addressed by management. There are hundred and two (102) audit findings in the 2022/2023 Audited Financial Statements

Various departments within the municipality are assisting in resolving issues raised by AGSA through the OPCA Plan. The municipality is currently engaging with Auditor General in preparation for interim audit process to improve an audit outcome. National Treasury, Provincial Treasury, SALGA and GOGTA have deployed hands-on support to assist on resolving all audit findings including UIF&W matters to improve audit outcome

T 1.4.1

Financial Overview: Year 2023/24			
			R' 000
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	326	326	274 508
Taxes, Levies and tariffs	1 576 029	1 180 925	827 464
Other	346 708	1 376 836	1 053 172
Sub Total	2 248 908	2 558 087	2 155 144
Less: Expenditure	2 248 908	2 547 211	1 759 748
Net Total*	-	10 876	395 396
* Note: surplus/(defecit)			T 1.4.2

Operating Ratios	
Detail	%
Employee Cost	17%
Repairs & Maintenance (Contracted Services)	6%
Finance Charges & Impairment	32%
	T 1.4.3

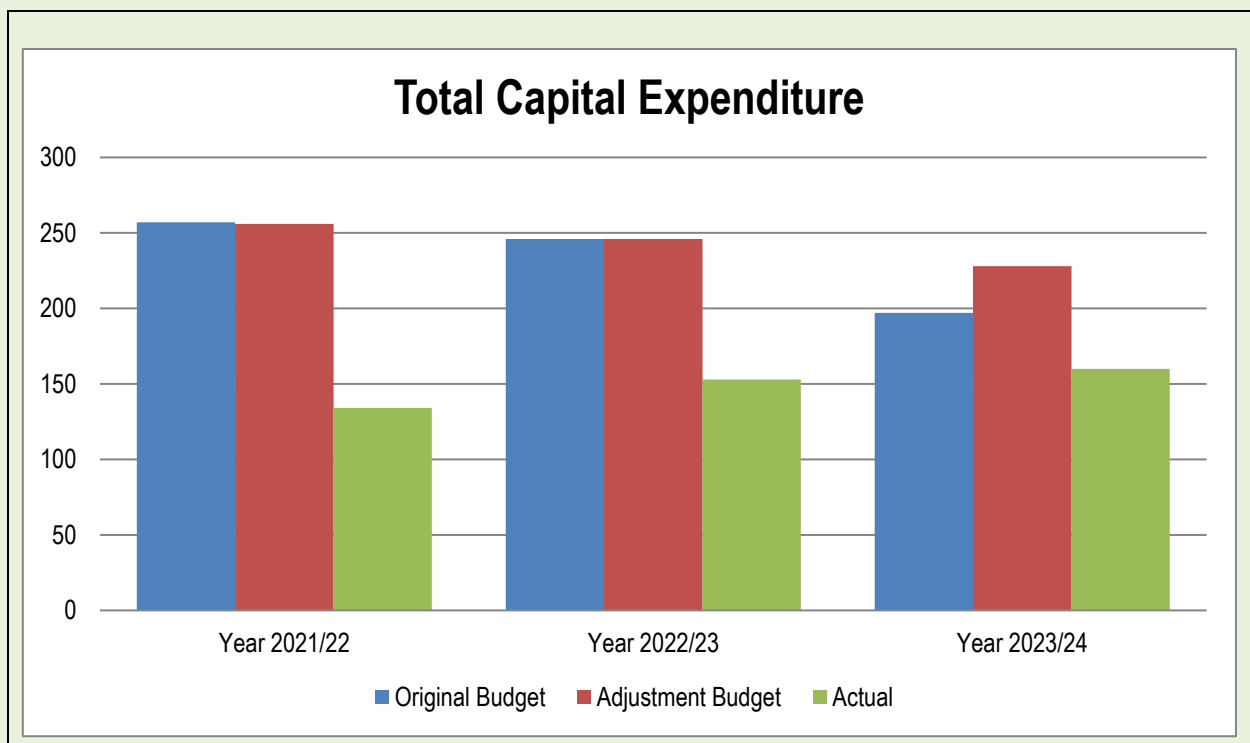
Chapter 1

COMMENT ON OPERATING RATIOS:

Employee costs are within acceptable norms. The Organogram of Council is reviewed on an annual basis and only positions that are affordable are funded on the structure. As part of the multi-year budget, increased allocations will be made to repairs and maintenance. The National Treasury norm is that 8% of the carrying value of assets must be provided for as repairs and maintenance

T 1.4.3.1

Total Capital Expenditure: Year 2022/23 TO 2023/24			
	R'000		
Detail	Year 2021/22	Year 2022/23	Year 2023/24
Original Budget	257	246	197
Adjustment Budget	256	246	228
Actual	134	153	160
	T 1.4.4		



T 1.4.5

Chapter 1

COMMENT ON CAPITAL EXPENDITURE:

R153 m was spent in the 2022/2023 financial year against R134 m in the previous year. The municipality achieved a 62.20% spending level on the capital budget. The decrease in spending levels is mostly due to the vacancies encountered within the engineering department during the financial period. Projects not completed at financial year end have been carried forward to the 2023/2024 financial year for completion.

T 1.4.5.1

1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

ORGANISATIONAL DEVELOPMENT PERFORMANCE

The Annual Performance Report (APR) is submitted in terms of the provisions of Section 46 (1) and (2) of the Local Government: Municipal Systems Act No.32 of 2000 (MSA), read with the Local Government: Municipal Finance Management Act No. 56 of 2003 (MFMA) Circular 11: Annual Report Guidelines, 2005.

The Annual Performance Report is informed by the Service Delivery Budget and Implementation Plan (SDBIP) as revised by Council during the 2023 / 2024 adjustment budget process. The report reflects the performance of the Municipality as measured against the performance indicators and targets of the Integrated Development Plan (IDP) and the Service Delivery and Budget Implementation Plan (SDBIP) for the 2023 / 2024 financial year.

The Municipality achieved an overall performance of 62 % on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP) for the year under review compared to 53% in the previous financial year. This indicates that the Municipality was not fully effective in its implementation of the Service Delivery and Budget Implementation Plan (SDBIP) due to the reasons indicated under each indicator of the Performance report.

T 1.5.1

Chapter 1

1.6. AUDITOR GENERAL REPORT

AUDITOR GENERAL REPORT: YEAR 2023/24

Merafong City Municipality has received a qualified opinion for the year 2023/24, this is an improvement from the previous financial year 2022/23 where the municipality received a disclaimer of audit opinion.

T 1.6.1

Chapter 1

1.7. STATUTORY ANNUAL REPORT PROCESS

No	Activity	Timeframe
1	Consideration of next financial year’s Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalise the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General’s comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General’s Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January
T 1.7.1		

Chapter 1

COMMENT ON THE ANNUAL REPORT PROCESS:

The Municipality has complied with the Annual Report Process Plan as guided by Treasury Guidelines on Annual Reports. The Draft Annual Report was tabled in Council at the end of August 2024 and submitted to relevant Legislators and made public for comments. Before the end of January 2025 the Annual Report would be tabled in Council for consideration. During the month of March 2025 an MPAC report will be presented to Council with the following outcome:

Approve the Annual Report without reservations
Approve the Annual Report with reservations or
Reject the Annual Report

T 1.7.1.1

Chapter 2

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

According to section 151(2) of the Constitution of the Republic of the South Africa 1996, the Executive and Legislative authority of a municipality is vested in its municipal council. According to Section 156(1) of the Constitution, a municipality has executive authority in respect of, and has the right to administer: The local government matters listed in Part B of Schedule 4 and Part B of Schedule 5(of the Constitution); and

Any other matter assigned to it by National or Provincial legislation

Governance is about how an organization is run. In the running of Merafong, a clear distinction is made between the politically elected structure (Councilors serving on the Council which is responsible for the oversight and legislative function of the municipality, as well as those matters which it has retained as its own functions. Other elected Councilors serve as full-time office bearers involved in the day-to-day running of the Municipal Council from the political perspective, namely the Executive Mayor, Deputy Executive Mayor with the Mayoral Committee, Speaker and the administration.

The Council is chaired by the Speaker. The Executive is headed by the Executive Mayor and Deputy Executive Mayor with the Mayoral Committee of ten (10) members.

The administration is headed by the Municipal Manager, who is also the organization's Accounting Officer. Powers have been delegated to the different functions within the organization to ensure that roles, responsibilities and decision-making powers are clear

T 2.0.1

Chapter 2

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE

The political and administrative functions in Merafong operate on a clearly differentiated and identified role clarification basis. The final decision-making processes are also designed to obtain and consider stakeholders inputs, requests and needs within the framework of available resources

T 2.1.0

2.1 POLITICAL GOVERNANCE

INTRODUCTION TO POLITICAL GOVERNANCE

The Section 79 Municipal accounts Committee (MPAC) functions as the Oversight Committee of Council in respect of the Annual Report, and its Oversight Report is submitted and published in accordance with the MFMA requirements and guidance. PAC consists of members of the majority and opposition parties.

Besides the powers of the and functions accorded to and imposed on the Executive Mayor in terms of legislation (the Municipal Systems Act, the Municipal Finance Management Act, and other relevant legislation), the executive function of the Council is delegated to the Executive Mayor as the appointed head of the executive function in so far as the Constitution and practicalities allow. The Executive Mayor exercises political oversight over the administration, except for the administrative unit known as 'The Office of the Speaker'.

In executing and performing the executive functions of the Council and the Municipality, the Executive Mayor is assisted by ten members of the Mayoral Committee each with a particular portfolio .

T 2.1.1

Chapter 2

COUNCILLORS

POLITICAL STRUCTURE EXECUTIVE MAYOR CLLR N BEST



Functions

Presides at meetings of the executive committee and performs the duties, including any ceremonial functions, and exercises the powers delegated to the mayor by the municipal council or the executive committee.

DEPUTY EXECUTIVE MAYOR CLLR GM SELLO



Discharges the functions of the Executive Mayor in the absence of the Executive Mayor and any delegated functions by the Executive Mayor.

SPEAKER CLLR TE MPHITHIKEZI



Functions

Presides at meetings of the Council; Performs the duties and exercises the powers delegated to the speaker in terms of section 59 of the Local Government: Municipal Systems Act 2000 (Act 32 of 2000), Ensures that Council meets at least quarterly; Must maintain order during meetings; Must ensure compliance in the council and council committees with the Code of Conduct set out in schedule 1 to the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000) and Must ensure that council meetings are conducted in accordance with rules and orders of the council

Chapter 2

CHIEF WHIP

CLLR T MOKUKE



Functions

(i) ensure the effective and efficient functioning of the Whips Committee and the Whippery system;
(ii) assist with the smooth running of Council meetings by:

- Determining, prior to Council meetings, items on the agenda which political parties may wish to discuss and advising the Speaker accordingly;
- Ensuring that all political parties have nominated councillors to represent their parties and lead discussion on those areas identified by the party, and forwarding such names to the Speaker at least 12 hours before the time set for the Council meeting to commence;
- Allocating speaking times for each of the political parties, in line with the principles of democracy;
- Ensuring that Councillors adhere to the speaking times allocated to their political parties; and
- Assisting the Speaker to maintain order in Council by requiring Councillors to adhere to the Rules of Council regarding general conduct in meetings;

(iii) Ensure the allocation of Councillors to standing committees in accordance with the representation of parties in Council;

(iv) ensure that Councillors observe the Code of Conduct for Councillors in any meetings, workshops or seminars approved by the Speaker; and

(v) Ensure that Councillors are familiar with the Code of Conduct for Councillors and to facilitate training as and when there is such a need.

Chapter 2

MAYORAL COMMITTEE/ EXECUTIVE COMMITTEE

<u>MAYORAL COMMITTEE MEMBER</u>	<u>PORTFOLIO</u>
CLLR M MOYENI	FINANCE
CLLR GE MBALISO	LOCAL ECONOMIC, TOURISM AND RURAL DEVELOPMENT
CLLR N MCETYWA	CORPORATE AND SHARED SERVICES
CLLR DV TABANE	ROADS, STORMWATER AND PUBLIC WORKS
CLLR PN SEFAKO	HUMAN SETTLEMENT AND LAND DEVELOPMENT
CLLR LI MANGALISO	PUBLIC SAFETY, SECURITY AND TRANSPORT
CLLR LA MGANU	ELECTRICITY, GAS AND WATER
CLLR E TIBANE	HEALTH AND SOCIAL DEVELOPMENT
CLLR DM SEGAKWENG	INTEGRATED ENVIRONMENTAL MANAGEMENT
CLLR VB NKWANYANA	SPORTS RECREATION ARTS, CULTURE, HERITAGE AND LIBRARIES
T2.1.1	

The Council consists of 55 seats, of which 28 are Ward seats and 27 are Proportional Representatives. The first Council meeting elected the Executive Mayor, Council Speaker, and Chief Whip. Merafong City Local Municipality took a resolution on the 1st of November 2023 to elect Councillor Mogomotsi Godfrey as the Deputy Executive Mayor. The Executive Mayor has 10 members of Mayoral Committee.

T 2.1.2

Chapter 2

POLITICAL DECISION-TAKING

Political decisions are taken in formal Council meetings where all participating political parties have opportunities to deliberate items as per the agenda, after which resolutions are adopted by the whole members of the Council Meeting. If consensus cannot be reached; items are after debate or put to vote.

T 2.1.3

2.2 ADMINISTRATIVE GOVERNANCE

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

Note: MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

The Municipal Manager is the head of the administration and the municipality's Accounting Officer. The Head of the Administration is responsible for:

- The provision of Municipal Strategic Direction and the Operationalizing of such strategies;
- The provision of the following infrastructural services for Merafong City Local Municipality: Water; Sanitation, Geotechnical Services; Civil Engineering Services; Electrical Engineering Services; and ensuring that Capital Project Financing is properly managed and accounted for;
- The rendering of Community Services which are: Public Safety; Community Development; and Solid Waste and Environmental Management Services;
- The provision of Urban Planning and Development Services comprising: Spatial Planning and Land Use Management; Property Management Services; and Housing Administration;
- The provision of Financial Planning and Accounting Services which are: Budgeting and Accounting services; and Supply Chain Management Services; and
- The rendering of Municipal Support Services which are: Human Capital Management; Legal and Administration Services; and Management Information Services

In terms of section 55 of the Systems Act, the Accounting Officer is responsible and accountable for the formation and development of such an establishment and is supported by the Office of the Chief Operations Officer overseeing responsibilities of Integrated Development Planning, Performance Management, Risk Management and Compliance Management.

The administrative governance strives to achieve a clean Auditor General's report at the end of the financial year. To achieve this goal, a standing item is placed on the regular management meetings between the Municipal Manager and the Heads of the various Departments.

In terms of promulgated regulations and the MSA a municipal council must have at least the following senior management positions on its complement:

Chapter 2

Chief Financial Officer
Head of Infrastructure and Technical Services
Head of Corporate and Shared Services
Head of Local Economic Development and Spatial Planning
Head of Community Services

Merafong City Council approved an Organisational structure on the 28 of November 2024 which added positions of the Head of Energy and Head of Public Safety. This decision was necessitated by the newly adopted Mission for the municipality which is: "To create an enabling environment that is transparent and accountable to the community, by providing excellent, effective and efficient services"

T 2.2.1

Chapter 2

TOP ADMINISTRATIVE STRUCTURE	Function
TIER 1	
MUNICIPAL MANAGER	
<ul style="list-style-type: none"> MUNICIPAL MANAGER: Mr. Dumisani Mabuza 	<p>As the Head of Administration, the Municipal Manager is the Accounting Officer. The Municipal Manager advises Council and its committees on administrative matters such as policy issues, financial matters, organizational requirements and personal matters.</p>
<i>Executive Directors</i>	<p>The Municipal Managers Office ensures compliance with the Municipal legislation. It also monitors that all departments adhere to the IDP, the municipal strategy and policies, Internal Audit is also located in this office.</p>
CHIEF FINANCIAL OFFICER P Makhubela (Ms)	<p>The Chief Financial Officer ensures that the municipal finances are well managed in accordance with the various legislative requirements and consists of the following Divisions:</p> <ol style="list-style-type: none"> 1. Treasury and Budget Office 2. Creditors 3. Expenditure 4. Revenue 5. Supply Chain Management
CHIEF OPERATIONS OFFICER DP. Molokwane	<p>The role of the Department is:</p> <ul style="list-style-type: none"> • Library Information Services – To ensure the promotion of social services • Performance management/ Monitoring and evaluation. • Risk Management • Parks and Cemeteries • Corporate Communications and Marketing
EXECUTIVE DIRECTOR: INFRASTRUCTURE DEVELOPMENT SL Mdletshe (Mr)	<p>The role of the department is to maintain effective and efficient provision of basic services with regard to the following:</p> <ol style="list-style-type: none"> 1. The provision, distribution and maintenance of basic electricity supply networks

Chapter 2

	<ol style="list-style-type: none"> 2. The provision, distribution and maintenance of basic water and hygienic sanitation networks: 3. The construction and maintenance of municipal roads and stormwater for safe accessible roads. 4. The implementation of Capital Projects within the specified budget, time and quality through the infrastructure Planning and Programme Section (PMU)
<p>EXECUTIVE DIRECTOR: CORPORATE SHARED SERVICES</p> <ul style="list-style-type: none"> • DE Mokoma Appointed EXECUTIVE DIRECTOR 	<p>Corporate Support Services is tasked with providing support functions within the organisation and services the organisation through the following divisions:</p> <ol style="list-style-type: none"> 1. Contract Management 2. Legal and Secretariat 3. Human Capital Management 4. Corporate Communication and Marketing 5. Industrial Relations 6. Employment Equity 7. Information Communication Technology (ICT)
<p>EXECUTIVE DIRECTOR COMMUNITY SERVICES</p> <ul style="list-style-type: none"> • SE Mantjane(Mr) 	<p>The role of the department is to provide and maintain effective and enhanced community services in the following functional areas:</p> <ul style="list-style-type: none"> • Sport, Recreation, Art, Culture & Heritage – To promote social cohesion through the promotion of sport, recreation, arts, culture, and heritage • Health and Social Development and Indigents Support
<p>EXECUTIVE DIRECTOR ECONOMIC DEVELOPMENT & PLANNING</p> <ul style="list-style-type: none"> • N. Molefe (Ms) 	<p>The role of the department is to create an investor friendly town with constant economic growth, sustainable developments and a variety of tenure options through provision of integrated, sustainable and safe human settlements</p> <p>Local Economic Development – Rural and Agriculture Development, Enterprise Development and Support, Business Retention, Expansion and Attraction</p> <ul style="list-style-type: none"> • Spatial Planning – Land use control and management, Development Facilitation/GIS, Densification & infill programmes

Chapter 2

1. Building Control
2. Human Settlement – Facilitate Sustainable Human Settlements

EXECUTIVE MANAGER: ENERGY
N. GUBEVU (MR)

The role of the Department is:

Manage the electricity distribution function within the area of jurisdiction of the Merafong City Local Municipality, including maintaining and enhancing bulk transmission and distribution infrastructure

- Providing strategic direction, guidance and oversight on climate change and environmental issues as far as they pertain to the distribution and use of energy, and promoting the generation and use of clean and renewable energy

- Providing public lighting within the municipal area

- Developing the electricity network and the operation of the electricity services within Merafong zone

- Developing and implementing by-laws regulating electricity use and supply, implementing national legislation relating to electricity supply, and developing policies and procedures, in particular relating to tariffs and assistance to the municipality

- Maintaining links with Provincial Government and key sector bodies, such as Eskom Holdings, the Department of Energy, the Industrial Development Corporation (IDC), the Department of Public Enterprises, the Department of Cooperative Governance and Traditional Affairs (COGTA) and the National Energy Regulator of South Africa (NERSA), and representing the best interests of the Municipality in relation to bulk electricity supply and the regulation of the industry

- Managing and ensuring the integration of the Directorate 's functions with those of the other service delivery directorates so as to advance the developmental responsibility of the Municipality, implementing its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) and contributing to the establishment of sustainable communities.

Chapter 2

EXECUTIVE MANAGER: PUBLIC SAFETY SW. MOLOTSI(MR) (ACTING)

- Integrated Environment and Waste Management – to ensure the provision of effective environmental management and integrated waste management services

The role of the Department is:

Oversee and ensure effective planning, development, management and implementation of Traffic, Fire & Emergency, Security Services, Law Enforcement and related functions

- Lead, direct and manage the Public Safety and Emergency Services Directorate in an effective and efficient manner in order to ensure the attainment of the strategic objectives and goals
- Develop and maintain constructive working relationship with key stakeholders, for example private sector, other spheres of the government as well as other industry bodies
- Advise and guide the strategic management team (SMT) on functional matters related to the public safety department
- manage public safety by ensuring the traffic services, law enforcement security and disaster management and available to the public

T2.2.2

COMPONENT B: INTERGOVERNMENTAL RELATIONS

INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS

In terms of Section 3 of the Municipal System Act (32 of 2000) requires that municipalities exercise the executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution of the Republic of South Africa 1996, Section 41.

Chapter 2

Pro-active cooperation between all the spheres of government is critical for efficient and effective service delivery if the municipality is to succeed in its developmental role. Each sphere of government has a role in the development planning, prioritization and resources allocation and management.

Therefore Merafong City Local Municipality does not function in a vacuum and strives to maintain good intergovernmental relations with other Municipalities, the West Rand District Municipality, the Provincial sector departments, National government and other agencies as well as inter-governmental bodies, such as SALGA, the Premier's Co-ordinating Forum.

T 2.3.0

2.3 INTERGOVERNMENTAL RELATIONS

NATIONAL INTERGOVERNMENTAL STRUCTURES

Merafong City Local Municipality annually participates in the National South African Local Government Association Members Assembly and other national intergovernmental structures.

T 2.3.1

PROVINCIAL INTERGOVERNMENTAL STRUCTURE

Merafong City Local Municipality do participate in the Provincial Forums, that comprises of MEC, MMC's and the sectoral technical IGR forums and the senior officials. Merafong is fully represented in a number of Provincial IGR structure such as:

Provincial Speakers forum
IGR Practitioners Forum
MEC/MMC Forum

T 2.3.2

RELATIONSHIPS WITH MUNICIPAL ENTITIES

Merafong City Local Municipality does not have any municipal entities

T 2.3.3

Chapter 2

DISTRICT INTERGOVERNMENTAL STRUCTURES

Merafong City Local Municipality is an active participant in the West Rand District Municipality's intergovernmental Relations (IGR) Forum through the following structures:

Political IGR: Where the mayors and other politicians- discuss local and district service delivery issues of common interest and challenges are resolved.

Technical IGR: Accounting Officers and other senior officials meet on a quarterly basis to discuss progress on service delivery.

IDP Mangers Forum, managers meet on a quarterly basis to discuss progress in the implementation of each municipality's IDP and make recommendations to the technical IGR including the sector departments.

T 2.3.4

Chapter 2

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

WARD COMMITTEES

Note: MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that compliments formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management, and development.

Public participation is an institutionalised function in Merafong City Local Municipality. Our communities have learned to appreciate the elaborative process, which ensures that all interested residents are afforded ample opportunity to make meaningful contributions to policy development and planning, for developments in the municipal jurisdiction. The evolution of ward-based planning and the related establishment of ward committee system have elevated community participation to higher levels, in terms of legal provision and institutionalisation of the process.

The Ward committee's primary objective is to enhance active participatory democracy between the municipality and the community as per the Constitutional mandate entrenched in the Local Government Municipal Structures Act No 117 of 1998. The ward committees dealt with the issues raised by the community which included: Basic Service delivery issues especially on Roads, Water, Electricity and Waste, Further responsibility was to coordinate the ward programs and municipal events Mayoral Imbizo's and Integrated Development Plan/Budget consultation process to the community

Merafong City Local Municipality, through the Office of the Speaker, liaises continuously with communities through ward committee members and other stakeholder forums. In order to facilitate maximum participation by ward committee members, the Merafong City Local Municipality is, as per Council resolution, providing stipends for each member.

T 2.4.0

Chapter 2

2.4 PUBLIC MEETINGS

COMMUNICATION, PARTICIPATION AND FORUMS

PUBLIC MEETINGS 2023/2024

The municipality has a functional communication office and adopted the communication strategy to coordinate issues through basic media means including municipal website, local newspaper, local radio, posters, flyers and so forth. The office of the Speaker is the custodian of community stakeholders through the ward councillors and ward committees.

The existing forums including the Sports Associations, Faith Based Organizations, Business Forums, People with Disabilities, Military Veterans, Elderly People and so forth. The schedule of ward councillors' public meetings adopted by the council, the respective portfolios as well adopted schedule of stakeholders' meetings. The municipality enhance the functionality of the forums through the special coordinators for Moral Regeneration, Youth, Disability programs, Elderly people programs and including GEYODI coordination reporting at the IGR forum.

The purpose of the meetings are ranging from general community development through CDWs, EPWPs, for Health through community health workers, HIV/AIDS volunteers and clinic committees, the welfare of people with disabilities and so forth. The purpose of the meetings is also for IDP and Budget consultation purposes. The 2023/24 IDP /Budget consultation implemented across Merafong as per the attached schedule.

T 2.4.1

WARD COMMITTEES

The Local Government: Municipal Structures Act, 1998 says "the objective of a ward committee is to enhance participatory democracy in local government. Ward Committees are made up of members of a particular ward who are democratically chosen by residents of the ward to advise the Ward Councillor on governance matters affecting the ward, Their function is to raise issues of concern and proposals affecting the local ward to the ward councillor and to make certain that local residents have a say in decisions, planning and projects that the council or municipality undertakes which have an impact on the ward.

The major issues that the ward committee has dealt with during the year are Service delivery related issues such as municipal billing, high rate of crime, sewer spillages, illegal dumping, the need for housing, high mast lights, electricity cut offs, improved communication, high rate of unemployment, drug abuse and Gender Based Violence.

T 2.4.2

Chapter 2

PUBLIC MEETINGS						
Nature and purpose of the meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issues addressed (Yes/No)	Dates and manner of feedback given to community
Ward 1 Public Meeting IDP	17/04/2024				Yes	Feedback is given to the community at the follow block or public meeting
Ward 2 Public Meeting IDP	13/11/2023 15/11/2023 03/10/2023 13/10/2023 07/12/2023 25/04/2024	1 1 1 1 1	0 0 0 0 0	85 100 56 55 103	Yes	Feedback is given to the community at the follow block or public meeting
Ward 3 Public Meeting IDP	25/11/2023 25/04/2024	1	0	125	Yes	Feedback is given to the community at the follow block or public meeting
Ward 4 Public Meeting IDP	25/04/2024				Yes	Feedback is given to the community at the follow block or public meeting

Chapter 2

Ward 5 Public Meeting	19/07/2023	1	7	50	Yes	Feedback is given to the community at the follow block or public meeting
	01/08/2023	5	0	146		
	16/11/2023	1	0	45		
	29/07/2024	1	0	30		
Ward 6 Public Meeting IDP	29/11/2023	1	0	133	Yes	Feedback is given to the community at the follow block or public meeting
	25/04/2024					
Ward 7 Public Meeting IDP	29/11/2023	1	0	89	Yes	Feedback is given to the community at the follow block or public meeting
	21/02/2024	1	0	76		
	25/04/2024					
Ward 8 Public Meeting IDP	21/07/2023	1	0	53	Yes	Feedback is given to the community at the follow block or public meeting
	29/08/2023	1	0	40		
	21/09/2023	1	0	89		
	02/10/2023	1	0	77		
	01/11/2023	1	0	80		
	14/11/2023	1	0	65		
	25/04/2024					
Ward 9 Public Meeting	23/08/2023	1	0	88	Yes	Feedback is given to the community at the follow block or public meeting
	03/04/2023	1	0	100		
	06/10/2023	1	0	78		
	04/11/2023	1	0	67		
	09/11/2023	1	0	80		
	13/11/2023	1	0	73		
	14/11/2023	1	0	56		
	15/11/2023	1	0	84		
	17/11/2023	1	0	63		
	22/11/2023	1	0	55		
	01/12/2023	1	0	34		

Chapter 2

IDP	25/04/2024 28/06/2024	1	0	66		
Ward 10 Public Meeting IDP	25/04/2024				Yes	Feedback is given to the community at the follow block or public meeting
Ward 11 Public Meeting IDP	17/08/2023 12/10/2023 22/10/2023 12/03/2024 18/04/2024	1 1 1 3	0 0 0 8	65 70 78 155	Yes	Feedback is given to the community at the follow block or public meeting
Ward 12 Public Meeting IDP	13/10/2023 27/10/2023 07/05/2024	1 1	0 0	85 78	Yes	Feedback is given to the community at the follow block or public meeting
Ward 13 Public Meeting IDP	07/08/2023 18/04/2024	1	0	90	Yes	Feedback is given to the community at the follow block or public meeting
Ward 14 Public Meeting IDP	14/11/2023 07/05/2024	1	0	30	Yes	Feedback is given to the community at the follow block or public meeting
Ward 15 Public Meeting	19/01/2024 11/05/2024	1 1	0 0	78 101	Yes	Feedback is given to the community at the follow block or public meeting

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Ward 16 Public Meeting IDP	20/03/2024 07/05/2024	3	7	88	Yes	Feedback is given to the community at the follow block or public meeting
Ward 17 Public Meeting IDP	20/03/2024 07/05/2024	3	7	88	Yes	Feedback is given to the community at the follow block or public meeting
Ward 18 Public Meeting IDP	14/08/2023 11/10/2023 13/11/2023 07/05/2024	1 1 1	0 0 0	45 36 30	Yes	Feedback is given to the community at the follow block or public meeting
Ward 19 Public Meeting	03/10/2023	1	0	47	Yes	Feedback is given to the community at the follow block or public meeting
Ward 20 Public Meeting IDP	12/03/2024 18/04/2024	3	8	155	Yes	Feedback is given to the community at the follow block or public meeting
Ward 21 Public Meeting IDP	07/05/2024				Yes	Feedback is given to the community at the follow block or public meeting
Ward 22 Public Meeting IDP	02/05/2024				Yes	Feedback is given to the community at the follow block or public meeting

Chapter 2

Ward 23 Public Meeting IDP	12/03/2024 18/04/2024	3	8	155	Yes	Feedback is given to the community at the follow block or public meeting
Ward 24 Public Meeting IDP IDP	17/11/2023 02/05/2024 07/05/2024	1	0	69	Yes	Feedback is given to the community at the follow block or public meeting
Ward 25 Public Meeting IDP	10/11/2023 02/05/2024	1	0	122	Yes	Feedback is given to the community at the follow block or public meeting
Ward 26 Public Meeting IDP	22/11/2023 02/05/2024	1	0	88	Yes	Feedback is given to the community at the follow block or public meeting
Ward 27 Public Meeting	01/08/2023 07/11/2023 20/11/2023 29/01/2024	5	7	146	Yes	Feedback is given to the community at the follow block or public meeting
Ward 28 Public Meeting IDP	16/11/2023 20/03/2024 07/05/2024	1 3	0 7	33 88	Yes	Feedback is given to the community at the follow block or public meeting

Chapter 2

COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The strategy of Merafong City Local Municipality could be able to consult in various alternative convenient methods to the engage community through social media, Facebook, WhatsApp, municipal website, SMS bundles, local newspaper and radio, posters, Govchat, GCIS, flyers and notices by the ward committees, loud hailing system across all stakeholders of the community.

The benefits of effective public meetings are: Widespread dissemination of information to citizens, full community participation in the development of municipal plans, IDP inputs, awareness of the concerns of residents across Merafong City, providing clarity on issues, being accountable to local communities on municipal matters, and advancing a culture of responsible citizenry amongst local citizens.

The public meetings exhibit the vision of the municipality and the theme of “government of the people by the people”. The municipality is continuing to provide basic services to the community through the effective of alternative communication methods including the Ward Base War Room Stakeholders meetings, mayoral consultations and other compliance engagements for the purposes of IDP and Budget.

T 2.4.3.1

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	

T 2.5.1

Chapter 2

COMPONENT D: CORPORATE GOVERNANCE

2.6 RISK MANAGEMENT

RISK MANAGEMENT

Section 62.(1)(c) of MFMA states that “The Municipal Manager of the Municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure that the municipality has and maintains effective, efficient and transparent systems of financial and risk management and internal control”

Risk is inherent in all business activities and every official and Councillor of the Municipality must continuously manage risks within their respective area of responsibility. The Merafong City Local Municipality (MCLM) recognizes that the aim of Risk Management is not to eliminate the risk totally but rather to provide the structural means to identify, assess, manage and monitor the risks involved in all municipal activities. It requires a balance between the cost of managing risks and the anticipated benefits that will be derived.

Every entity, whether for profit or not, exist to realise value for its stakeholders. Value is created, preserved, or eroded by management decisions in all activities, from setting strategy to operating the organisation day-to-day. ERM supports value creation by enabling management to deal effectively with potential future events that create uncertainty and respond in a manner that reduces the likelihood of downside outcomes and increases the upside.

The Enterprise Risk Management Unit is responsible for the coordination of Risk Management activities in the Municipality and it is accountable to the Accounting Officer.

A risk identification and assessment exercise is undertaken on an annual basis in line with the IDP and SDBIP to re-determine the risk exposure of the municipality. In total 13 risks were identified and managed for the 2023/24 FY.

T 2.6.1

2.7 ANTI-CORRUPTION AND FRAUD

FRAUD AND ANTI-CORRUPTION STRATEGY

The Anti –Corruption Strategy of MCLM is aligned with the 2016 Local Government Anti - Corruption strategy championed by COGTA. The local government anti-corruption strategy is built around the three strategic objectives, namely: Promoting community ownership, strengthening municipalities’ resilience against corruption and building trust and accountability through effective investigation and resolution.

Chapter 2

The anti-corruption strategy of Merafong was reviewed during this financial period and in the final stages of consultation then approved by Council

Merafong has committed to institutionalizing the fight against corruption by implementing initiatives based on the four pillars of:

- Prevention
- Detection
- Investigation; and
- Resolution

DISCIPLINARY CASES OF FINANCIAL MISMANAGEMENT

During this financial year the municipality has demonstrated a will to deal with financial misconduct acts by applying consequence management and implemented suspensions and investigations to two of senior managers of the municipality. The municipality is currently using the services of the Provincial Ethics Hotline. This is a facility that allows all stakeholders and community to report unethical conduct. During the year the municipality received three (3) cases reported through the hotline. The cases were investigated by Internal Audit and two (2) were resolved and one is still pending a disciplinary process.

The benefit of using an external hotline is that the whistleblower can remain anonymous and being protected from victimization.

Risk management plays an advocacy role in relation to Fraud and Corruption. The partnership between the Municipality, COGTA and Office of the Premier in a project called the Gauteng Municipal Integrity Project (GMIP) is continuing. Through this project, An Ethics Management Strategy has been developed and approved by Council. This prompts the Municipality to develop an Ethics Management Implementation Plan that will see the institutionalization of the strategy.

The Accounting Officer approved an Ethics Management Implementation plan for 2022/23 financial year. Through this implementation plan, The Accounting Officer has appointed the Ethics Working Group.

Risk management plays an advocacy role in relation to Fraud and Corruption. The relationship between the Risk Management Unit COGTA and Office of the Premier in a Project called the Gauteng Municipal Integrity Project (GMIP) continued. This relationship benefits the municipality a great deal so that the municipality stays on par with policy reform and developments. The Municipality develops an Ethics Management Implementation Plan annually to institutionalise the Ethics Strategy approved by Council.

The Accounting Officer approved an Ethics Management Implementation plan for 2023/24. This plan sets out activities that need to be implemented for the year. The municipality through the Risk Management unit intensified awareness by including the Fraud Hotline details on the email signature for all email users. Values of the municipality included in all communications and municipal public notices and on job adverts.

Merafong is consistently represented in the quarterly Ethics Officer Forums which are planned by COGTA. These forums assist the municipality in that it serves as a constant platform to improve the ethics management work of the municipality. Coordination of declarations of interest for Councilors

Chapter 2

done, 49 out of 55 (90%) Councillors have made their declarations of interest. Declarations of officials were also done during this financial year by almost 99% at the management level.

T 2.7.1

2.8 SUPPLY CHAIN MANAGEMENT

OVERVIEW SUPPLY CHAIN MANAGEMENT

The Municipality adopted and implemented the SCM policy for 2023/24 financial year. In terms of the National Treasury MFMA Circular 62 on the Supply Chain Management: Enhancing compliance and accountability, the Municipality submitted reports on the implementation of Procurement Plan on a quarterly and annual basis to various council committees.

On the 4th November 2022, The Minister of Finance issued an amendment of Preferential Procurement Policy Framework Act, 2000. Gazette no: 47452 on the specific goals replacing BBBEE certificates and related awarding systems as from the 16th of January 2023. This has led to the amendment of the supply chain policy.

The supply chain policy was also amended based on the supply chain management thresholds as published on the 14 December 2023.

The goal of this Policy is to provide a mechanism to ensure sound, sustainable and accountable SCM within the Merafong Municipality, whilst promoting black economic empowerment, to designated groups which includes general principles for achieving the following socio-economic objectives:

- To stimulate and promote local economic development in a targeted and focused manner.
- To promote resource efficiency and greening.
- To facilitate creation of employment and business opportunities.
- To promote the competitiveness.
- To increase the small business sector access, in general, to procurement business opportunities created by the municipality; and
- To increase participation by small, medium and micro enterprises (SMME's)

T 2.8.1

Chapter 2

2.9 BY-LAWS

COMMENT ON BY-LAWS:

No By-laws were introduced during the 2023 / 2024 financial year. ,however a dedicated office was introduced which will deal with all By-Law matters for the municipality

T 2.9.1.1

COMMENT ON BY-LAWS:

Most of Municipal By-laws are , the new By-Law Unit will look into the matter and ensure development , review , public participation and approval of By-Laws

T 2.9.1.1

2.10 WEBSITES

Municipal Website: Content and Currency of Material	
Documents published on the Municipality's / Entity's Website	Yes / No
Current annual and adjustments budgets and all budget-related documents	Yes
All current budget-related policies	Yes
The previous annual report (Year 2022/2023)	Yes
The annual report (Year 2022/2023) published/to be published	Yes
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 2022/2023) and resulting scorecards	Yes
All service delivery agreements (Year 2022/2023)	Yes
All long-term borrowing contracts (Year 2022/2023)	Yes
All supply chain management contracts above a prescribed value (give value) for Year 2022/2023	Yes
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 2022/2023	No
Contracts agreed in Year 2022/2023 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No
Public-private partnership agreements referred to in section 120 made in Year 2022/2023	No
All quarterly reports tabled in the council in terms of section 52 (d) during Year 2022/2023	Yes
T 2.10.1	

COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

Chapter 2

The Merafong City Local Municipality website is currently hosted and managed by the Provincial E-Gov Department. The website is available to the community through the libraries in the Merafong City area of jurisdiction. All libraries provide free access to internet for half an hour per user per day. Currently there are 80 computers with internet access and free Wi-Fi available at 16 libraries.

During the second semester of 2022/23, the municipality started on developing a website that will be managed internally, to ensure that information is uploaded on time and updated regularly.

T 2.10.1.1

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

PUBLIC SATISFACTION LEVELS

The municipality experienced quite an increased number of public service delivery complaints in 2023/24 financial year, due to problems experienced with old and aging water infrastructure network, turnaround time for water and sewer complaints because of financial challenges that are faced by the municipality.

There were numerous complaints from the businesses around the issue of refuse removal service and sewage leaks, as well as increased number of power outages due to vandalism of infrastructure and cable theft.

T 2.11.1

Satisfaction Surveys Undertaken during: 2023/2024

Chapter 2

Subject matter of survey	Survey method	Survey date	No. of people included in survey
Overall satisfaction with:			
(a) Municipality	0 Press Releases with regards to Municipal actions during the year under discussion	2023/24	Newspapers /Electronic Media
(b) Municipal Service Delivery	05 Press Enquiries on Municipal Service Delivery failures during the year	2023/24	Newspapers/Electronic Media
(c) Mayor	01 Media Monitoring/ Press Enquiries on actions by the Executive Mayor during the year.	2023/24	Newspapers/ Electronic Media
Satisfaction with:			
(a) Refuse Collection	11 Media Monitoring/ Press Enquiries on Service Delivery failures during the year 93 Call & Contact Centre enquiries on Service Delivery Failures during the year.	2023/24	Newspapers/ Electronic Media
(b) Road Maintenance	66 Media Monitoring/ Press Enquiries on Service Delivery failures during the year 173 Call & Contact Centre enquiries on Service Delivery Failures during the year.	2023/24	Newspapers/ Electronic Media
(c) Electrical	47 Media Monitoring/ Press Enquiries on Service Delivery failures during the year 4016 Call & Contact Centre enquiries on Service Delivery Failures during the year.	2023/24	Newspapers/ Electronic Media
(d) Water Supply	31 Media Monitoring/ Press Enquiries on Service Delivery failures during the year 2715 Call & Contact Centre enquiries on Service Delivery Failures during the year.	2023/24	Newspapers/ Electronic Media
(e) Information supplied by municipality to the public	4 Website Based Enquiries on Service Delivery failures during the year (Public Notices)	2023/24	Website
(f) Opportunities for consultation on municipal affairs	1 Community outreach to register community complaints in all areas. (Integrated Development Programme)	2023/24	Community Consultation
T 2.11.2.			

Chapter 2

Concerning T 2.11.2:

For the 2023/24 the municipality did not command any specific survey. The information contained in the above table is extracted from the Call and Contact Centre and Press Enquiries/Releases.

T 2.11.2.1

COMMENT ON SATISFACTION LEVELS:

During the 2023/24 period, the municipality did not commission any surveys. The information provided in the table above is derived from the Call and Contact Centre, as well as press enquiries and releases.

The Call and Contact Centre currently operates two hotline numbers for the public to report service delivery complaints: one managed by the municipality and the other by the Premier's Office.

To enhance accessibility, a WhatsApp number is also available, offering a cost-effective way for the public to lodge complaints.

For residents who are unable to call or use WhatsApp, in-person assistance is available at the Centre during office hours. Operators are on hand to help log complaints and queries.

Residents and businesses in Merafong City are reminded to use the official Call and Contact Centre WhatsApp number for their service delivery complaints. Complaints submitted through other WhatsApp groups will not be addressed.

The contact details and their operational hours are as follows:

WhatsApp: 082 516 0794 (**weekdays:** 07:30–22:00 & **weekends:** 08:00–22:00)

Premier's Hotline: 0860 256 256 (**Operational 24/7**)

Municipality's Hotline: 018 788 9990 (**weekdays only:** 07:30 to 16:00)

T 2.11.2.2

Chapter 3

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

INTRODUCTION

The Municipality achieved an overall performance of **62 %** on the implementation of the Service Delivery and Budget Implementation Plan (SDBIP) for the year under review compared to **53%** in the previous financial year. This indicates that the Municipality was not fully effective in its implementation of the Service Delivery and Budget Implementation Plan (SDBIP) due to the reasons indicated under each indicator.

Goal 1: To Provide Basic Service Delivery

Service Delivery is measured under Goal 1 of the SDBIP and below is the discussion on the performance of the municipality under this goal.

This goal comprises of **60** indicators, aligned to the 14 national and provincial outcomes. The average overall performance achieved on this goal is **37 %** for the financial year under review compared to 26% of the previous financial year.

The main challenges experienced that impacted negatively on the performance achieved compared to planned, were the inability to fully implement the infrastructure maintenance plans as a result of the cash flow challenges.

Challenges regarding water and electricity losses are attributed to overflowing of reservoirs, high pressure in water network, damaged pipes as a result of illegal miners, old rigid water pipes cracking due inflexibility, leaking valves and hydrants and bypassed meters.

Installation and repairs of control valves at reservoir has been done and it will require continuous servicing. Khutsong reservoir and 007 reservoirs are under construction to resolve the direct feed from Rand Water. Replacement of old rigid pipes are included on the IDP for replacement. Budget allocation for fire hydrants and meters to be ring fenced for this operation.

Chapter 3

The municipality is investigating possible additional power supply options, including renewable energy, to supplement the grid for a continuous supply of energy. The Annual Performance Report reveals that throughout the fiscal year 2023/2024, the City continued its efforts to realize its vision of “An economically sustainable, community oriented and safe.City” also provides a detailed yet honest analysis of the City's performance, noting important accomplishments as well as the rationale for underperformance in cases where the Municipality has underperformed. Electricity Load Management/Reduction in the low paying areas was implemented daily in the morning from 08:00 am to 12:00 pm and again in the evening from 21:00 pm to 05:00 am.

Water Restrictions in low paying areas daily in the evenings from 21:00 pm to 05:00 am. There were challenges in the implementation of the credit control measures due to resistance from the communities which made it difficult for the municipal employees and Revenue Credit Control service providers to gain access to the townships and into the substation and pump-stations.

Extension of services in issuing of wheelie bins could not be implemented due to shortage of bins. Solid Waste Section is embarking on consultation with the affected ward councilors and relevant portfolio Head to intervene in resolving the matter, on facilitation of the consultation and engagements with affected communities for the roll-out of the issuing of the 240L Wheelie Bins.

T 3.0.1

COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

INTRODUCTION TO BASIC SERVICES

Solid Waste is being collected once a week with kerbside method in the formal household. Businesses around Merafong are also being serviced using the 6m³ containers and 240l wheelie bins. Service to the newly development will be introduced as soon as the road infrastructure being fixed and more personnel (general workers) being appointed.

Fochville and Carletonville Central Business Districts (CBD's) Street Cleaning/ Litter Picking service is been done daily including weekends. Townships litter picking has been done through Community Work Program (CWP).

Due to unavailability of internal removal of illegal dumping equipments, monthly schedule has been done and the service sourced externally when funds are available. Illegal dumping is one of the common problems affecting the municipality due to lack of dedicated equipment utilised to clear illegal dumping spots.

Chapter 3

The shortage of staff impacts negatively on the rendering of waste services in which it affects solid waste management budget allocation, whereby our personnel are working overtime in an endeavour to avoid the service backlogs.

There is a Fochville Transfer Station for temporary disposal and storage of general waste by community members.

Carletonville Landfill site is used for the final and safe disposal of general waste in the Municipality. The operations, management and maintenance of the facility had been carried out continuously through the outsourced services.

T 3.1.0

Chapter 3

3.1. WATER PROVISION

INTRODUCTION TO WATER PROVISION

Two years ago the assessment done by DWS has indicated that Merafong Water and Sanitation does not comply with the minimum requirements in terms of the relevant legislation and procedures regulating the provision of basic services and infrastructure, leaving Council wide open for legal action from DWS and the Department of Environment Affairs. Furthermore, the situation creates a negative perception towards Council and officials from the residents, in terms of the following challenges;

- Water losses as a result of limited maintenance of infrastructure.
- Noncompliance of wastewater effluent.
- Critical vacancies on organogram.
- Insufficient equipment.
- Failing infrastructure as a result of dolomitic activities.

The current situation can be resolved by prioritizing and investing capacity and funds into the Water and Sanitation section to comply with its duties and responsibilities to provide basic water and sanitation to all citizens on a daily and continuous basis and increase revenue by addressing water losses on behalf of the Council, and to comply with the following legal requirements and Council responsibilities.

The Water Services Act - Duty and responsibility of Local Council to provide basic water and sanitation to all citizens within Merafong borders on a daily and continuous basis.

- The Water Act - Duty and responsibility of Local Council to effluent standards of Waste Water Treatment Plants and the Water Licence issued in terms of the Act
- The Occupational Health and Safety - Everyone has the right to an environment that is not harmful to their health or wellbeing.
- Finance Management Act – Water losses detrimental to the health of Merafong's revenue collection
- Municipal Systems Act – The Council of a municipality has the duty to promote a safe and healthy environment in the municipality.
- Act 95 of 1998 (NHBCRC) and SANS 1936 - Requires a Dolomite Risk Management Policy approved by the Council to be proactive on measures that reduce the vulnerability of communities
- Relevant SABS and SANS standards on projects and the responsibilities of Consultants to comply.

Various urgent challenges that needed immediate attention include amongst others the following:

- Continuous breakage of water infrastructure in the same areas causing further deterioration of an already high risk dolomitic sub soil conditions.
- Residents are residing on high risk dolomitic areas, while collapsed sewer infrastructure cause back ponding of sewer in the underground infrastructure, flooding residential areas with raw sewage.
- Water losses because of no maintenance to Pressure Reducing Valves (PRV's), valves, water meters and control of acceptable water pressures in zones.
- Noncompliance at WWTP's due to theft and vandalism of infrastructure
- Bulk sewer lines in several residential areas blocked because of lack of maintenance and foreign objects put in sewer lines flooding stands within the lower sewer catchment areas.
- High-water pressures within certain zones resulting in pipe bursts daily.

Chapter 3

- Vast areas in Khutsong north where internal networks have collapsed and no sewer drainage exist, internal networks flooded, MH's are pumped out by Municipal sewerage trucks.
- Unacceptable sewer blockages in newly constructed residential areas Khutsong South and Kokosi Ext 6
- Theft and vandalism of Council's infrastructure
- Untreated raw sewage draining directly into natural streams, Kokosi Pump station, Wedela WWTP, Khutsong South WWTP and several bulk sewer lines; Greenspark and Fochville to Kokosi WWTP and Khutsong Bulk Sewer lines.
- Unacceptable quality of newly completed projects as a result of no involvement of the project owners in the execution process of projects.
- Non-availability of mechanical equipment.
- Unavailability of material to address urgent matters.

The Water and Sanitation section should be prioritized in order to provide basic services to all. The situation needs urgent and immediate attention. Current knowledge of the problem makes the council, councillors and officials liable if positive action is not taken. Any delay or failure to take appropriate and urgent action may impose a legal liability in terms of above.

Investment into this section will reduce water losses of almost 50%, address non compliances and provide funding for normal maintenance and increase the income of Council.

Bulk water

- Decommissioned reservoirs as a result of dolomite activities in the greater Carletonville and Khutsong areas is still a challenge.
- New 30 ML Khutsong reservoir has been completed but still not in operation due to none operation of the water towers which are being refurbished.
- Carletonville CBD is still feeding from a direct Rand Water pipeline due to decommissioned 007 reservoirs.

Sanitation

Four out of five Waste Water Treatment works in Merafong have been non-compliant in terms of the Department of Water Affairs requirements. Three of the WWTW are in a process of refurbishment to meet the standards.

- High-water pressures within certain zones resulting in pipe bursts daily. One of the major challenges within Merafong is the outfall sewers from residential areas to Waste Water Treatment Plants. Due to historic water limitations the outfall bulk sewer pipes has been solidified with sludge and resulted in backflow into the residential areas. To address the current situation additional high pressure equipment is required.

Service delivery to informal areas

Merafong providing basic services to 27 000 families in informal areas to include;

1. Informal families in and on the edges of formal townships
2. Informal families in rural areas
3. Backyard families

Chapter 3

Resettlement Project

The Khutsong Resettlement Project is probably the most important infrastructure project to address most of the challenges in the area, both infrastructure and informal backlogs.

Merafong City Local Council has conceded that it has stability problems within its area of jurisdiction i.e. harm is foreseeable and has publicly acknowledged these problems and given the residents of the area a clear indication through The Resettlement Project as approved by Council that action will be taken to manage the risk and rectify the situation.

HDA has been appointed to spearhead the project, with a COGTA budget in consultation with Merafong

- Infrastructure services to 18 000 newly developed stands
- Replace non-compliant infrastructure in Khutsong North
- Bulk linkages and bulk services

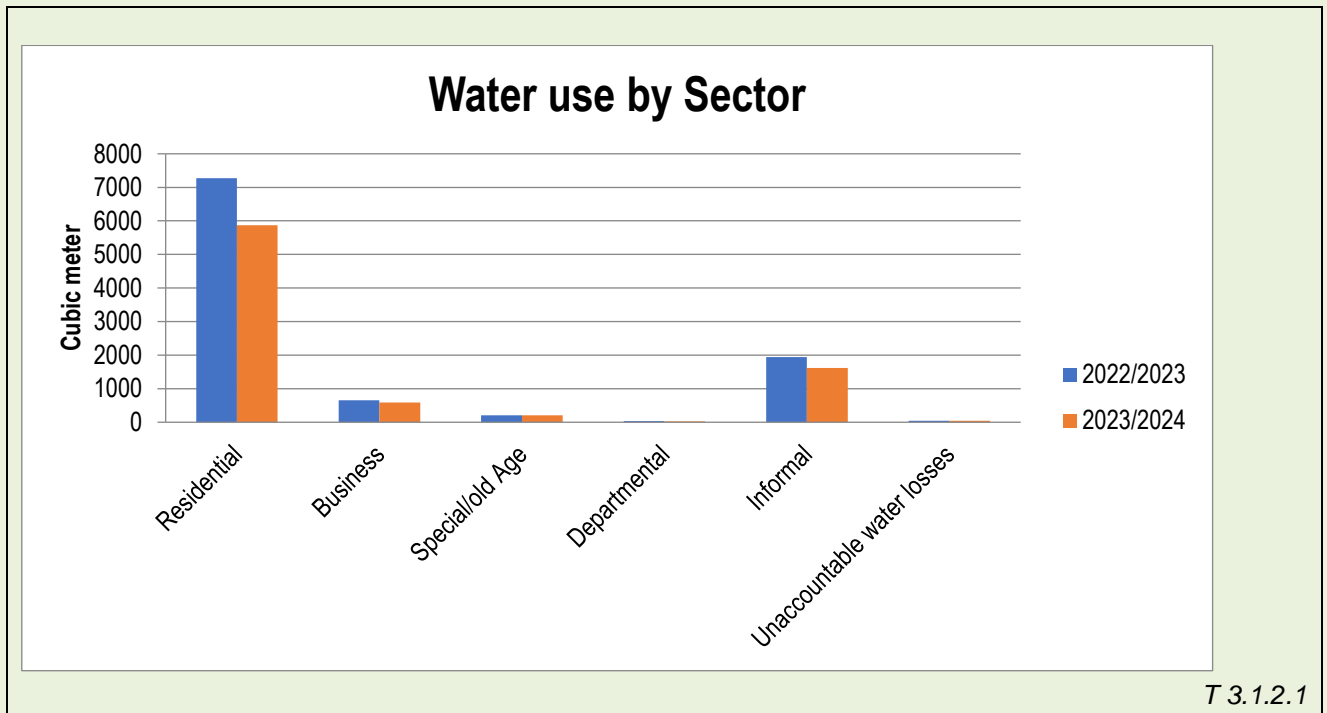
T 3.1.1

Total Use of Water by Sector (cubic meters)

	Residential	Business	Special/old Age	Departmental	Informal	Unaccountable water losses
2022/2023	7270	659	204	36	1944	47
2023/2024	5869	589	205	22	1620	47

T 3.1.2

Chapter 3



COMMENT ON WATER USE BY SECTOR:

Residential water use is the most consuming sector.

T 3.1.2.2

Chapter 3

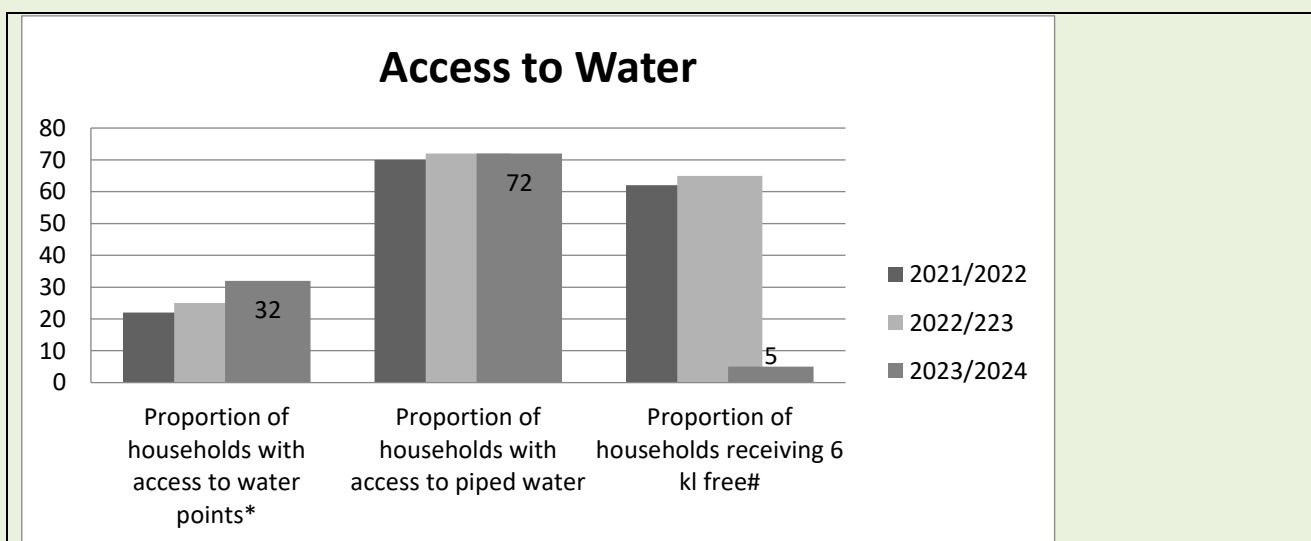
DRINKING WATER QUALITY					
Jul-23- Jun-24					
Month	% Physical Compliance	% Chemical Compliance	% Microbiological Compliance	% Total Compliance	% Blue Drop Minimum
11-Jul- 2023	100,00	100,00	100,00	100,00	95,0%
14-Aug- 2023	99,53	99,53	99,53	99,53	95,0%
12-Sept- 2023	100,00	100,00	100,00	100,00	95,0%
09-Oct- 2023	100,00	100,00	100,00	100,00	95,0%
13-Nov- 2023	100,00	100,00	100,00	100,00	95,0%
06-Dec - 2023	100,00	100,00	100,00	100,00	95,0%
16-Jan - 2024	100,00	100,00	100,00	100,00	95,0%
12-Feb - 2024	100,00	100,00	100,00	100,00	95,0%
25-Mar - 2024	100,00	100,00	100,00	100,00	95,0%
15-Apr - 2024	99,23	99,23	99,23	99,23	95,0%
13-May - 2024	100,00	100,00	100,00	100,00	95,0%
11-Jun - 2024	100,00	100,00	100,00	100,00	95,0%
TOTAL (%)	99,90	99,90	99,90	99,90	99.9%
T3.1.2					

Chapter 3

Water Service Delivery Levels Households				
Description	2020//2021	2021/2022	2022/2023	2023/2024
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Water: (above min level)</u>				
Piped water inside dwelling	857	546	655	55
Piped water inside yard (but not in dwelling)	647	865	456	3
Using public tap (within 200m from dwelling)	486	486	465	18
Other water supply (within 200m)				
<i>Minimum Service Level and Above sub-total</i>	1 990	1 898	1 576	77
<i>Minimum Service Level and Above Percentage</i>	80%	80%	76%	96%
<u>Water: (below min level)</u>				
Using public tap (more than 200m from dwelling)				—
Other water supply (more than 200m from dwelling)	486	486	486	—
No water supply				—
<i>Below Minimum Service Level sub-total</i>	486	486	486	3
<i>Below Minimum Service Level Percentage</i>	20%	20%	24%	3%
Total number of households*	2 476	2 384	2 062	80
* - To include informal settlements				T 3.1.3

Chapter 3

Households - Water Service Delivery Levels below the minimum						
Households						
Description	2020/2021	2021/2022	2022/2023	2023/2024		
	Actual No.	Actual No.	Actual No.	Original Budget No.	Adjusted Budget No.	Actual No.
Formal Settlements						
Total households	100 000	100 000	100 000	55	55	552
Households below minimum service level	25 000	25 000	25 000	–	–	–
Proportion of households below minimum service level	25%	25%	25%	0%	0%	0%
Informal Settlements						
Total households	100 000	100 000	100 000	19	19	19
Households below minimum service level	25 000	25 000	25 000	3	3	3
Proportion of households below minimum service level	25%	25%	25%	16%	16%	16%
T 3.1.4						



Chapter 3

** Means access to 25 liters of potable water per day supplied within 200m of a household and with a minimum flow of 10 liters per minute*

6,000 liters of potable water supplied per formal connection per month

T 3.1.5

Use data below to populate graph

Access To Water

Access to Water			
	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free#
2021/2022	22	70	62
2022/2023	25	72	65
2023/2024	32	72	5
<i>T 3.1.5</i>			

6,000 litres of potable water supplied per formal connection per month

Chapter 3

Water Service Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	Year 2021/22		Year 2022/23		Year 2023/24	
		Target	Actual	Target	Actual	Target	
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Service Objective							
Provision of basic services to water accessibility	Measures the percentage access of households to basic level of water services	100%	99%	99%	95%	96%	100%
Provision of Quality and Reliable Water Supply	Measures the percentage compliance to the Water Quality Standards	100%	100%	100%	100%	99%	100%
Maintain Efficient Water Infrastructures	Indicator measures percentage of activities implemented in accordance with the Water Services maintenance plan, reported in percentage	100%	44%	44%	100%	22%	100%
Curbing of Water Losses	Indicator measures unaccounted water losses measured as percentage of bulk purchases vs sales	less than 40%	51%	40%	less than 20%	40%	less than 20%
T3.1.6							

Chapter 3

Employees: Water Services					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	0	1	100%
4 - 6	3	4	2	2	50%
7 - 9	6	27	17	10	37%
10 - 12	7	11	4	7	64%
13 - 15	9	109	69	40	37%
16 - 18	11	0	0	0	0%
19 - 20	18	0	0	0	0%
Total	55	152	92	60	39%
					T3.1.7

Financial Performance Year 2023/24: Water Services					
					R'000
Details	Year 2022/23	Year 2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	316 596	318 918	527 030	575 618	45%
Expenditure:					
Employees	39 218	42 020	39 797	47 791	12%
Depreciation and amortisation	27 000	27		10 936	100%
Operational cost	59 326	66 034	47 969	23 955	-176%
Inventory consumed	201 685	201 685	9 905		0%
Losses	108 356	108 356			
Total Operational Expenditure	435 585	418 122	97 671	82 682	-406%
Net Operational Expenditure	118 989	99 204	-429 359	-492 936	120%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.1.8

Chapter 3

Capital Expenditure Year 2023/2024 Water Services					
R' 000					
Capital Projects	Year 2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	44 114	33 638	14 059	-214%	
Structurer Rehab of 007 Reservoir	10 000	10 000	4 183	-139%	19 603
Replacement of Manhole Covers	6 000	6 000	3 089	-94%	3 089
Foundation Stabilisation of Addata Reservoir	14 806	4 330	458	-3133%	458
Khutsong South Installation of Alternative Bulk Water Supply	5 308	5 308	5 308	0%	19 435
Kokosi Ext 6 Sewer & Water Meters	8 000	8 000	1 021	-684%	1 021
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.1.9

COMMENT ON WATER SERVICES PERFORMANCE OVERALL:

Structural Rehabilitation of 007 Reservoir

Morad Consulting Engineers were appointed on 29 July 2022 to administer the project. The contractor Bomseni Trading/Tshau Ngwako A Maloa JV had slow progress of works on site. The contractor submitted a catch-up plan and revised program of works. The contractor has been put on terms for non-performance. Cession agreement was approved with suppliers to secure material. Extension of time requested until 31 May 2024, awaiting approval. Construction progress = 41%. The contractor was issued with a penalty delay notice on 23/05/2024.

Foundation Stabilisation of Addata Reservoir

SRSQS Quantity Surveyors (Pty) Ltd were appointed on 01/09/2023 for this. The consultant submitted the inception as per the agreed milestone. The Project kick off meeting was scheduled for 05 April 2024 with the replacement consultant. The initiating meeting was held on 22 September 2023. The appointment of Lihuzu Projects (Pty) Ltd was done on 02-02-2024 and the Contractor - VTR Construction CC was appointed on 20-05-2024 from the panel.

Replacement of Manhole Covers Merafong

JMS Consulting (Pty) Ltd was appointed on 21 Dec 2023 for this project and the planned milestones were achieved. Material has been procured on 22 December 2023 and a site visit to witness the material at the factory was arranged with the owner department. Consultant had to finalize and submit the tender

Chapter 3

document on 08 April 2024 for final approval, End-user department to put consultant on terms for poor performance. Project implemented with EPWP Principles

Kokosi Ext 6/7 Completion of Sewer Network/Water Meters

A new project for the 2023/2024 financial year. The consultant has been appointed on 01-09-2023. Inception = 100%. Concept and viability=100%. DDR and tender document reviewed on 25 March 2024, consultant to send revised documents by 08 April 2024 for final approval. Initiating meeting was held on 22 September 2023. End-user department to put consultant on terms for poor performance

Khutsong South Installation of Alternative Bulk Waer supply

New Project 2021/2022. Consultant appointed 20-07-2021. Project initiation concluded on 6-08-2021. Amendment of Assignment for Consultant services to Turn-key basis dated 10/02/2022. Project was launched on 10/06/2022. Due for completion end of November 2023 and revised completion by end February 2024, Contractor delayed request for EOT until February 2024 issued, awaiting approval. Delays due to approval of Rand Water wayleave and supplier material delivery. Catch up programme issued, anticipated completion on 18 April 2024. Construction progress = 97%, EOT approved until 17/05/2024,

T 3.1.10

3.2 WASTE WATER (SANITATION) PROVISION

INTRODUCTION TO SANITATION PROVISION

Water services (i.e. water supply and sanitation) are controlled by the Water Services Act. (Act 108 of 1997) and the National Water Act (Act 36 of 1998). The Water Services Act deals with Water Services provision to consumers, while the National Water Act deals with water in its natural state. As in the case of water supply, the provision of sanitation to a community should take place in terms of the relevant Water Services Development Plan, which is required in terms of the Water Services Act.

The Water Services Development Plan (which should, of course, be compiled taking cognisance of the National Sanitation Policy) defines the minimum level of sanitation as well as the desired level of sanitation for communities that must be adhered to by a Water Services Provider in its area of jurisdiction. It describes the arrangements for water services provision in an area, both present and future. Water services are also to be provided in accordance with regulations published in terms of the Water Services Act.

The provision of appropriate sanitation to a community should take place in accordance with national policy. Among the major aims set out in the National Sanitation Policy are the following to improve the health and quality of life of the whole population;

- To integrate the development of a community in the provision of sanitation;
- To protect the environment; and
- To place the responsibility for household sanitation provision with the family or household.

Chapter 3

The provision of appropriate sanitation to a community should take place in accordance with national policy. Among the major aims set out in the National Sanitation Policy are the following to improve the health and quality of life of the whole population;

- To integrate the development of a community in the provision of sanitation;
- To protect the environment; and
- To place the responsibility for household sanitation provision with the family or household.

The minimum acceptable basic level of sanitation as per Department of Water and Sanitation.

- Appropriate health and hygiene awareness and behaviour;
- A system for disposing of household wastewater and refuse, which is acceptable and affordable to the users, safe, hygienic and easily accessible, and which does not have an unacceptable impact on the environment; and
- A toilet facility for each household. Sanitation goes hand in hand with an effective health-care programme. The importance of education programmes should not be overlooked, and the Department of Health must assist.

Sanitation education is part of the National Sanitation Policy and should embrace proper health practices, such as personal hygiene, the need for all family members (including the children) to use the toilet and the necessity of keeping the toilet facility clean. Education should also include the proper operation of the system, such as what may and may not be disposed of in the toilet, the amount of water to add if necessary, and what chemicals should or should not be added to the system. The user must also be made aware of what needs to be done if the system fails or what options are available when the pit or vault fills up with sludge.

Current policy is that the basic minimum facility should be a ventilated improved pit (VIP) toilet, or its equivalent.

The five main criteria to be considered when providing a sanitation system for a community are: • Reliability; • Acceptability; • Appropriateness; • Affordability; and • Sustainability.

Khutsong North Water & Sewer Reticulation (Stage 3)

Metsweding Consulting Engineers were appointed for this project on 18 August 2022. The turnkey subcontractor was appointed 18-01-2023. The Turn-key sub contractor moved out of the project and the turn –key consultant took over to complete the project. Meetings were held in engaging consultant to bring the catchup plan to complete the project. Delays by local SMME's affected project and matter be resolved by affected ward Cllrs and contractor. Delays by local SMME's affected project and matter be resolved by affected ward Cllrs and contractor. Construction progress at 92,4%, works delayed, end-user department to put turnkey consultant on terms, planned completion is 26/07/2024, delays due to interception of domestic water line and foul water diversion and blockages of strategic feeder manholes.

Khutsong North Water & Sewer Reticulation (Stage 4)

LSO Consulting (Pty) Ltd was appointed on the 01/09/2023 for this. Initiating meeting was held on 22 September 2023. Inception report received and reviewed by municipality. Overall progress on Inception = 100% and Concept & Viability= 100%. Designs has been submitted and approved. Tender document issued for approval. Contractor - Malindo Civil and Construction was appointed on 24/04/2024. Site handover meeting held on 24/05/2024.

Chapter 3

Refurbishment of Wedela WWTW

Begin Africa Consulting Engineers were appointed for this project. The letter of intent to terminate was issued to the contractor by the municipality. Regular technical site meeting was held to discuss the slow progress with the contractor, consultant and municipality. Letter was sent to the contractor to put him on terms due to slow progress of works on site. Regular technical site meeting held. MCLM to finalize Bigen additional fee proposal, cession agreement with new contractor to be finalized. (PHASE 2) IPW Assignment for consultant 29/07/2022. Phase 1 was at 98% completed. Site has been vandalised. Phase 2 Planned completion was Aug 2023. Fencing is complete. Mechanical & electrical material has been ordered, but cannot be delivered prior to adequate security measures being in place. Meeting held with Vusaken director and Bigen Africa .

Many undertakings promised, none delivered. Contractor to be placed on notice towards termination. Letter was sent to the contractor to put him on terms due to slow progress of works on site. Regular technical site meeting held. MCLM to finalize Bigen additional fee proposal, Contractor letter of termination to be issued by MCLM legal, overall progress = 30% (reduced amended to vandalism that took place, extent of damage to be re-visited once contractor is terminated).

Khutsong South Ext. 5 Outfall Sewer

Proplan consulting Engineers appointed 20 July 2021(Turnkey). Reabusa Construction and Suppliers has been appointed as turn-key sub-contractor. Amendment of assignment for Consultant services to turn-key basis dated 10/02/2022. Phase 1 completed in Nov 2023. Practical inspection was done during September month. Completion dd 02-11-2023. SLA extension and budget confirmation for Phase 2 to be issued by MCLM. Construction at 100% for phase 1. Phase 2 SLA approval confirmation received on 07/05/2024, EOT 2 without cost issued for approval until 28/08/2024

Kokosi Ext 6/7 Completion of Sewer Network/Water Meters

A new project for the 2023/2024 financial year. The consultant has been appointed on 01-09-2023. The Inception and Concept and viability is 100%. The DDR and tender document was reviewed on 25 March 2024. The consultant sent the revised documents on 08 April 2024 for final approval. Initiating meeting was held on 22 September 2023. End-user department to put consultant on terms for poor performance

Fochville Outfall Sewer

A new project for the 2023/2024 financial year. The consultant has been appointed on 01-09-2023. The initiating meeting was held on 22 September 2023. Inception = 100%. Concept and viability=100%. DDR and tender document issued. Contractor Kaneka Civil and Construction was appointed on 23/04/2024, site handover meeting scheduled for 05/04/2024

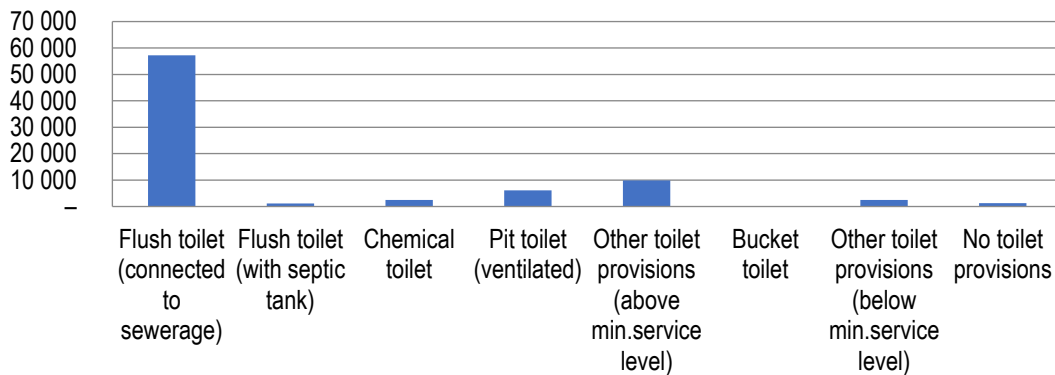
Kokosi Ext 7 East Outfall Sewer & WWTP

Project rolled over from 2020/21 FY. IPW letter was issued to the consultant dated 17/08/2022 for the inlet works. Municipality to continue with the security management of the station. Dry commissioning was done on 14/07/2023 and wet commission was scheduled for 17/08/2023. Practical Completion was achieved on 16 February 2024 and the practical completion certificate has been signed off. A request for information on the close out report was sent to Ilifa on 29 February 2024. Overall Progress is at 100%

T 3.2.1

Chapter 3

Sanitation/Sewerage (above minimum level): 2023/24



T 3.2.2

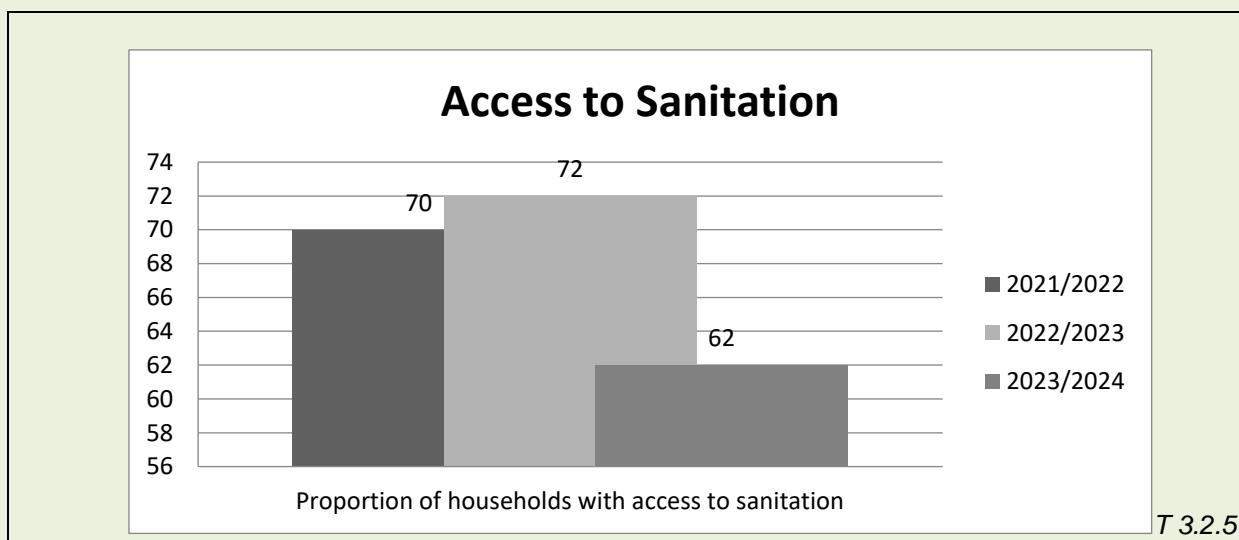
Sanitation Service Delivery Levels

*Households

Description	2020/2021	2021/2022	2022/2023	2023/2024
	Outcome No.	Outcome No.	Outcome No.	Actual No.
<u>Sanitation/sewerage: (above minimum level)</u>				
Flush toilet (connected to sewerage)	942	600	720	57
Flush toilet (with septic tank)	712	952	502	1
Chemical toilet	535	535	511	3
Pit toilet (ventilated)	124	135	103	6
Other toilet provisions (above min.service level)	13	13	15	10
<i>Minimum Service Level and Above sub-total</i>	2 325	2 236	1 851	77
<i>Minimum Service Level and Above Percentage</i>	68,9%	59,9%	55,5%	95,4%
<u>Sanitation/sewerage: (below minimum level)</u>				
Bucket toilet	502	952	938	–
Other toilet provisions (below min.service level)	535	535	535	2
No toilet provisions	10	11	12	1
<i>Below Minimum Service Level sub-total</i>	1 047	1 498	1 485	4
<i>Below Minimum Service Level Percentage</i>	31,1%	40,1%	44,5%	4,6%
Total households	3 372	3 734	3 336	80
*Total number of households including informal settlements				T 3.2.3

Chapter 3

Households - Sanitation Service Delivery Levels below the minimum						
Description	Year - 2020/21	Year - 2021/22	Year - 2022/23	Year 2023/24		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	100 000	100 000	100 000	55	55	55
Households below minimum service level	25 000	25 000	25 000	–	–	–
Proportion of households below minimum service level	25%	25%	25%	0%	0%	0%
Informal Settlements						
Total households	100 000	100 000	100 000	19	19	19
Households ts below minimum service level	25 000	25 000	25 000	5	4	4
Proportion of households ts below minimum service level	25%	25%	25%	26%	19%	19%
T 3.2.4						



Chapter 3

Water Service Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	Year 2022/23		Year 2023/24			Year 2024/25
		Target	Actual	Target		Actual	Target
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Service Objective							
Provision of basic services and accessibility	Measures the percentage access of households to basic level of sewer services	100%	99%	99%	95%	96%	100%
Provision of Quality and Reliable Sanitation Service	Measures the percentage compliance to Quality Standards	100%	100%	100%	100%	99%	100%
Maintain Efficient Sanitation Infrastructures	Indicator measures percentage of activities implemented in accordance with the Services maintenance plan, reported in percentage	100%	50%	50%	100%	50%	100%
T3.2.6							

Chapter 3

Employees: Sanitation Services					
Job Level	Year 2018/19	Year 2021/22			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	Employees of Sanitation are included in Water Table T3.1.7				
4 - 6					
7 - 9					
10 - 12					
13 - 15					
Total					
T 3.2.7					

R'000					
Details	Year 2022/23	Year 2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	114 613	0	1	1	100%
Expenditure:					
Employees	0	39 081	37 797	47 791	18%
Debt impairment and write-offs	35 417	36 156	92 610	11 118	-225%
Depreciation and amortisation	411	10 721		10 936	2%
Operational cost	2 704	50 335	36 430	21 120	-138%
Inventory consumed	0				0%
Total Operational Expenditure	38 532	136 293	166 837	90 965	-50%
Net Operational Expenditure	-76 081	136 293	166 836	90 964	-50%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.2.8					

Chapter 3

Capital Expenditure Year 2023/2024: Sanitation Services					
Capital Projects	Year 2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	37 813	32 513	13 048	-190%	
Khutsong North Water & Sewer Reticulation Stage (3)	2 000	3 500	2 815	29%	6 424
Khutsong North Water & Sewer Reticulation Stage (4)	8 000	1 200	970	-725%	970
Khutsong South Ext 5 Outfall Sewer	2 000	2 000	1 849	-8%	11 849
Kokosi Ext 7 East Outfall Sewer & WWTW	4 813	4 813	4 813	0%	33 688
Fochville Outfall Sewer	10 000	10 000	1 424	-602%	1 424
Upgrading & Rehabilitation of Wedela WWTW(Phase 2)	10 000	10 000	725	-1279%	8 023
WUL Applications for Wedela WWTW and Oberholzer WWTW	1 000	1 000	452	-121%	452
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					<i>T 3.2.9</i>

COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:

Khutsong North Water & Sewer Reticulation (Stage 3)

Metsweding Consulting Engineers were appointed for this project on 18 August 2022. The turnkey subcontractor was appointed 18-01-2023. The Turn-key sub contractor moved out of the project and the turn –key consultant took over to complete the project. Meetings were held in engaging consultant to bring the catchup plan to complete the project. Delays by local SMME's affected project and matter be resolved by affected ward Cllrs and contractor. Delays by local SMME's affected project and matter be resolved by affected ward Cllrs and contractor. Construction progress at 92,4%, works delayed, end-user department to put turnkey consultant on terms, planned completion is 26/07/2024, delays due to interception of domestic water line and foul water diversion and blockages of strategic feeder manholes.

Khutsong North Water & Sewer Reticulation (Stage 4)

LSO Consulting (Pty) Ltd was appointed on the 01/09/2023 for this. Initiating meeting was held on 22 September 2023. Inception report received and reviewed by municipality. Overall progress on Inception = 100% and Concept & Viability= 100%. Designs has been submitted and approved. Tender document issued for approval. Contractor - Malindo Civil and Construction was appointed on 24/04/2024. Site handover meeting held on 24/05/2024.

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Letter was sent to the contractor to put him on terms due to slow progress of works on site. Regular technical site meeting held. MCLM to finalize Bigen additional fee proposal, Contractor letter of termination to be issued by MCLM legal, overall progress = 30% (reduced amended to vandalism that took place, extent of damage to be re-visited once contractor is terminated).

Khutsong South Ext. 5 Outfall Sewer

Proplan consulting Engineers appointed 20 July 2021(Turnkey). Reabusa Construction and Suppliers has been appointed as turn-key sub-contractor. Amendment of assignment for Consultant services to turn-key basis dated 10/02/2022. Phase 1 completed in Nov 2023. Practical inspection was done during September month. Completion dd 02-11-2023. SLA extension and budget confirmation for Phase 2 to be issued by MCLM. Construction at 100% for phase 1. Phase 2 SLA approval confirmation received on 07/05/2024, EOT 2 without cost issued for approval until 28/08/2024

Kokosi Ext 6/7 Completion of Sewer Network/Water Meters

A new project for the 2023/2024 financial year. The consultant has been appointed on 01-09-2023. The Inception and Concept and viability is 100%. The DDR and tender document was reviewed on 25 March 2024. The consultant sent the revised documents on 08 April 2024 for final approval. Initiating meeting was held on 22 September 2023. End-user department to put consultant on terms for poor performance

Fochville Outfall Sewer

A new project for the 2023/2024 financial year. The consultant has been appointed on 01-09-2023. The initiating meeting was held on 22 September 2023. Inception = 100%. Concept and viability=100%. DDR and tender document issued. Contractor Kaneka Civil and Construction was appointed on 23/04/2024, site handover meeting scheduled for 05/04/2024

Kokosi Ext 7 East Outfall Sewer & WWTP

Project rolled over from 2020/21 FY. IPW letter was issued to the consultant dated 17/08/2022 for the inlet works. Municipality to continue with the security management of the station. Dry commissioning was done on 14/07/2023 and wet commission was scheduled for 17/08/2023. Practical Completion was achieved on 16 February 2024 and the practical completion certificate has been signed off. A request for information on the close out report was sent to Ilifa on 29 February 2024. Overall Progress is at 100%

T 3.2.10

Chapter 3

3.3 ELECTRICITY

INTRODUCTION TO ELECTRICITY

The Electricity Services Department is licensed to supply the following areas with electricity: Carletonville, Portion of Khutsong, Welvediend, Watersedge, Blybank, Fochville, Kokosi and Wedela. The department comprises the following divisions: Domestic metering Services, Bulk metering and power system protection, Distribution and Electrical Planning unit.

THE DOMESTIC METERING DIVISION'S FUNCTIONS ARE AS FOLLOWS:

- Tariff determination and management
- Management of not more than 80A electrical connections and meters
- Premises electrical installation safety compliance
- Implementation of the Free Basic Electricity Policy

THE DISTRIBUTION DIVISION'S FUNCTIONS ARE AS FOLLOWS:

- Management and implementation of all types of electrical maintenance
- Operating in terms of the Operating Regulations for High Voltage Systems (ORHVS)
- Continuity of supply and safety of personnel and equipment
- Preparations of annual reports in terms of NERSA requirements
- Power outage management
- Management of the Supervisory Control and Data Acquisition (SCADA) system
- Streetlight maintenance

THE PLANNING DIVISION'S FUNCTIONS ARE AS FOLLOWS:

- Implementation of capital projects
- Preparation and approval of electrical designs
- Compilation and execution of IDP, Budget, and SDBIP
- Project management

THE MAIN PLANNING STRATEGIES FOR THE DEPARTMENT ARE AS FOLLOWS:

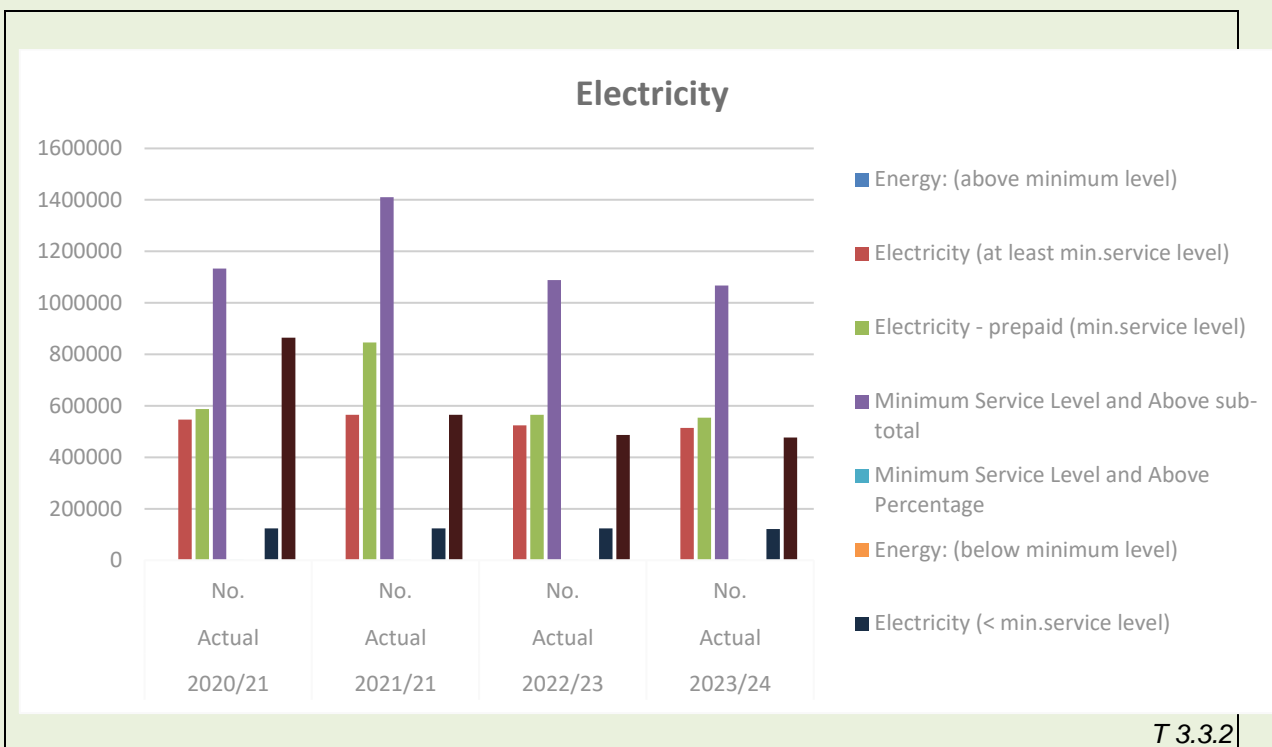
- Installation of bulk infrastructure to cater for services
- Increasing the supply capacity of substations in response to increasing demand
- Implementation of the electricity master plan
- Installation and upgrade of infrastructure and equipment to render a service
- Providing infrastructure and connections to all new developments when required
- Implementing the Free Basic Electricity Policy
- Discouraging tampering by using real-time monitoring systems
- Developing a policy and encouraging the utilisation of alternative energy

Contributing towards the mitigation of climate change impacts by reducing carbon emissions.

Note: Recent legislation includes the Electricity Amendment Acts 1989; 1994; 1995; and the Electricity Regulation Act 2006.

T 3.3.1

Chapter 3



Electricity Service Delivery Levels Households				
Description	2020/2021	2021/2022	2022/2023	2023/2024
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<u>Energy: (above minimum level)</u>				
Electricity (at least min.service level)	546.845,	564.825,	523.455,	513.555
Electricity - prepaid (min.service level)	586.886,	845.686,	564.865,	554.179
Minimum Service Level and Above sub-total	1.133.731,	1.410.511,	1.088.320,	1.067.734
Minimum Service Level and Above Percentage	52,8%	66,3%	62,1%	62,1%
<u>Energy: (below minimum level)</u>				
Electricity (< min.service level)	123.451,	123.544,	123.544,	121.197
Electricity - prepaid (< min. service level)	864.568,	564.865,	486.568,	477.323
Other energy sources	25.634,	28.213,	54.215,	53.185
Below Minimum Service Level sub-total	1.013.653,	716.622,	664.327,	651.705,
Below Minimum Service Level Percentage	47,2%	33,7%	37,9%	37,9%
Total number of households	2.147.384,	2.127.133,	1.752.647,	1.719.439,

T 3.3.3

Chapter 3

Households - Electricity Service Delivery Levels below the minimum						
Households						
Description	2020/2021	2021/2022	2022/2023	2023/2024		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	100.000.000,	100.000.000,	100.000.000,	73.890,	73.890,	73.890,
Households below minimum service level	25.000.000,	25.000.000,	25.000.000,	65.554,	65.554,	65.554,
Proportion of households below minimum service level	25%	25%	25%	89%	89%	89%
Informal Settlements						
Total households	100.000.000,	100.000.000,	100.000.000	13.250	13.250	13.250
Households ts below minimum service level	25.000.000,	25.000.000,	25.000.000,	1.243,	1.243,	1.243,
Proportion of households ts below minimum service level	25%	25%	25%	9%	9%	9%
T 3.3.4						

Chapter 3

Electricity Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	2021/2022		2022/2023			2023/2025	2024/25	
		Target	Actual	Target		Actual	Target		
<i>Service Indicators</i> (i)		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Provision of basic Services									
<i>Provision of minimum supply of electricity</i>	Additional households (HHs) provided with minimum supply during the year (Number of HHs below minimum supply level)	1200	564	926	600	137	600	200	200
T3.3.5									

Chapter 3

Employees: Electricity Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	3	0	0%
7 - 9	6	8	6	2	25%
10 - 12	7	15	7	8	53%
13 - 15	9	15	9	6	40%
16 - 18	11	21	11	10	48%
19 - 20	18	30	18	12	40%
Total	55	93	55	38	41%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.3.6

R'000					
Details	Year 2022/23	Year 2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	9 547	304 376	380 495	9 547	-3088%
Expenditure:					
Employees	35 183	38 035	37 979	36 895	-3%
Debt impairment and write-offs	1				0%
Depreciation and amortisation	1		16 569		0%
Operational cost	471 501	539 438	706 097	558 344	3%
Inventory consumed	1	1			0%
Total Operational Expenditure	506 687	577 474	760 645	595 239	3%
Net Operational Expenditure	497 140	273 098	380 150	585 692	53%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.3.7

Chapter 3

R' 000					
Capital Projects	Year 2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	50 500	47 736	38 186	-32%	
2x20 MVA Frikkie Substation 44/11(Change Control to Plover)	25 000	25 000	25 000	0%	25 000
Merafong Solar Highmast Lights & Solar Streetlights	5 500	2 736	1 735	-217%	1 735
Khut South Electricity	20 000	20 000	11 451	-75%	11 451
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T 3.3.8

COMMENT ON ELECTRICITY SERVICES PERFORMANCE OVERALL:

2x20 MVA Frikkie Substation 44/11 (Change control to Plover)

Merafong paid the budget quote to Eskom to approve the designs during the 2022/2023 financial year. This was a new project from the 2022/2023 financial year. A project initiation meeting was held on 19 August 2022. The project to be executed by Eskom. The project planned completion period is 31 Months. An Allocation of R7m was paid to Eskom. The consultant awaits the deliverables from Eskom. Consultant was appointed on 10/10/2022. The budget Quote was paid on 30 April 2023. The consultant busy with designs. Payment towards to ESKOM Quote has been paid 14/07/2023 and 19/01/2024 for (2023/24 FY). Stage-3 90% complete. Contractor - Kunjalo Kunje Trading was appointed on 17-05-2024. Site handover meeting scheduled for 04/06/2024

Merafong Solar Highmast Lights & Solar Streetlights

Motla Consulting Engineers (Pty) Ltd was appointed on 01/09/2023. Initiating meeting was held on 22 September 2023. PDR submitted on 19 October 2023. 1) Inception = 100% 2) Concept & Viability= 100% and 3) Design and Development= 100% and Tender document was approved. PDR submitted on 19 October 2023. Oakantswe Construction and Projects was appointed on 17-05-2024 from panel. Site handover meeting scheduled for 04/06/2024. Project launch held on 11/06/2024, delays due to finalizing SMME appointments.

Khutsong Electricity

LSO Consulting Engineers (Pty) Ltd was appointed on 01/09/2023. Inception report received and reviewed by municipality. Inception = 100%. Concept and viability=100%. Stage 3 has been approved. Tender document has been submitted to the Municipality for review and approval. Initiating meeting was held on 22 September 2023. Contractor appointed on 09/05/2024, site handover meeting scheduled for 04/05/2024

Chapter 3

Fochville Electrical Bulk Supply (Phase 5)

A new project for the 2022/2023 financial year. The project will be executed by Eskom. A project initiation meeting was held on 19 August 2022. The Planned project completion period is 31 Months. Approval from DMRE for change control was sent to Merafong with assistance from LSO. Payment towards Budget Quote has been paid to Eskom on 14/07/2023 (2022/23 FY). Consultant awaiting Eskom deliverables. Received budget quotation from Eskom. Multi-year project. Allocated R7m was paid to Eskom. No expenditure for 2023/24. Eskom to complete outstanding works.

T 3.3.9

3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTIONS, WASTE DISPOSAL, STREET CLEANING AND RECYCLING)

INTRODUCTION TO WASTE MANAGEMENT

Street Cleaning service is done daily including weekends around Fochville and Carletonville CBD's. CWP and Green Army workers do litter picking in Townships.

Solid Waste is being collected once a week with kerb side method in the formal household as per National Waste Collection Standard. There are 57 192 household with access to weekly waste removal in the formal areas.

The Solid Waste Management department oversee the recycling services and Khabokedi Waste Management Company submit their stats to Waste department in monthly basis.

Mphahlwa village as an informal settlement is being served using 6m³ skip containers.

Business around Merafong and mines are also being serviced using the 6m³ containers and 240l bins.

Removal of illegal dumping is being scheduled monthly and executed internally with the available limited resources and additional equipment are sourced.

Carletonville Landfill Site is used for the final and safe disposal of waste in Merafong. Khabokedi Waste Management (Pty) Ltd was appointed as the service provider to operate and manage landfill site.

T 3.4.1

Chapter 3

Solid Waste Service Delivery Levels				Households
Description	Year 2020/21	Year 2021/22	Year 2022/23	Year 2023/24
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	54507	54507	54507	57192
<i>Minimum Service Level and Above sub-total</i>	54507	54507	54507	57192
<i>Minimum Service Level and Above percentage</i>	96,00%	96,00%	96,00%	96.69%
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week	0	0	0	0
Using communal refuse dump	13413	13413	13413	13413
Using own refuse dump	53645	53645	53645	53645
Other rubbish disposal	53645	53645	53645	53645
No rubbish disposal	53645	53645	53645	53645
<i>Below Minimum Service Level sub-total</i>	67058	67058	67058	67058
<i>Below Minimum Service Level percentage</i>	54,0%	54,0%	54,0%	54,0%
Total number of households	98457	98457	98457	98457
				<i>T3.4.2</i>

Chapter 3

Solid Waste Service Delivery Levels				Households
Description	Year 2020/21	Year 2021/22	Year 2022/23	Year 2023/24
	Actual No.	Actual No.	Actual No.	Actual No.
<u>Solid Waste Removal: (Minimum level)</u>				
Removed at least once a week	54507	54507	54507	57192
<i>Minimum Service Level and Above sub-total</i>	54507	54507	54507	57192
<i>Minimum Service Level and Above percentage</i>	96,00%	96,00%	96,00%	96.69%
<u>Solid Waste Removal: (Below minimum level)</u>				
Removed less frequently than once a week	0	0	0	0
Using communal refuse dump	13413	13413	13413	13413
Using own refuse dump	53645	53645	53645	53645
Other rubbish disposal	53645	53645	53645	53645
No rubbish disposal	53645	53645	53645	53645
<i>Below Minimum Service Level sub-total</i>	67058	67058	67058	67058
<i>Below Minimum Service Level percentage</i>	54,0%	54,0%	54,0%	54,0%
Total number of households	98457	98457	98457	98457
				<i>T3.4.2</i>

Chapter 3

Waste Management Service Policy Objectives Taken From IDP									
Service Objectives 									

Chapter 3

Employees: Solid Waste Management Services					
Job Level	Year -2022/23	Year 2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	5	0	5	100%
4 - 6	0	3	0	3	100%
7 - 9	11	48	11	37	77%
10 - 12	1	1	1	0	0%
13 - 15	92	292	92	200	68%
Total	104	349	104	245	70%
					T3.4.5

Capital Expenditure Year 2023/2024: Waste Management Services					
					R' 000
Capital Projects	Year 2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0%	
Project A	0	0	0	0%	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.4.9

COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

Street Cleaning is being done daily in Fochville and Carletonville CBD's. In Township is being done by CWP and Green Army.

There are 57 192 household with access to weekly waste removal in the formal areas.

Removal of illegal dumping is executed internally with limited resources and additional equipment are sourced.

Carletonville Landfill Site is used for the final and safe disposal of waste in Merafong. The service provider was appointed to manage and operate landfill site. The compliance of landfill site is 81.6%.

T 3.4.10

Chapter 3

3.5 HOUSING

INTRODUCTION TO HOUSING

In terms of the National Housing Act, Act 107 of 1997, the Government's primary housing objective is to undertake housing development, which Section 1 defines as follows:-

“the establishment and maintenance of habitable, stable and sustainable public and private residential environments to ensure viable households and communities in areas allowing convenient access to economic opportunities, and to health, educational and social amenities in which all citizens and permanent residents of the Republic will, on a progressive basis, have access to permanent residential structures with secure tenure, ensuring internal and external privacy, and providing adequate protection against the elements, potable water, adequate sanitary facilities and domestic energy supply.”

The existing national housing programs have been based on this objective and the principles embodied therein. Municipalities are required to take the leading role in negotiating the location of housing supply to facilitate spatial restructuring, spatial planning and transportation systems and the integration of housing into municipal IDPs.

Strategic Overview

The human settlement department is delivered on its mandate through various programs that aim to provide a holistic approach to service delivery in Human Settlements. The work is guided by Outcome 8: sustainable human settlement and improved quality of household life and the Ten Pillar Programme on modernization of Human Settlement and Urban Development

Linked to the Human Settlement and Urban Development are the issues of poverty reduction, job creation, training and skill development. As government we have an obligation to ensure that our people benefit from human settlement development through the employment of the principles of the Expanded Public Works Programme (EPWP) and Community Works Programme.

Underlying the approach to housing planning as part of integrated development planning are a set of key principles that emerged from considering strategic concerns in respect of the housing sector as well as the intergovernmental planning and implementation system. These are indicated and elaborated upon below.

1.2.1 Sustainable human settlement development and asset creation

Building human settlements goes beyond the production of houses and should ensure the integrated delivery of a wide range of social and economic amenities and infrastructure that ensure a supportive context for sustainable livelihoods and a strong civil society. This relates to the shift in policy from shelter provision to sustainable human settlements and communities, and the improvement of the quality of the housing products and residential environments produced through the programme.

Chapter 3

1.2.2 Strategic concern for demand-defined and supply negotiated housing delivery

Development, which is demand-defined (by households according to their needs, and through local government-based processes such as the IDP process) and is supply-negotiated, should be promoted. Supply negotiation should take place at the local sphere of government. Supply negotiated housing delivery is a means to ensure that housing policy and implementation provides a way, for the state to engage with communities and households, whereby demand-definition and supply-negotiation ensure that people living in situations of poverty are better able to build social and physical assets, thus enhancing housing as an economic instrument once transferred.

1.2.3 Restructuring of the institutional architecture for housing

Housing demands need to be addressed by coordinated and integrated planning, funding and Capacity building efforts at different spheres and sectors of government. The notion of supply actors need to be broadened to leverage individual and collective responsibility for meeting the housing demand and the need to mobilize and enable new actors to perform these roles.

1.2.4 Transformation of the intergovernmental planning and fiscal system

Housing policy instruments and their implementation agencies need to be aligned to ensure better flow of funds and more effective achievement of desired outcomes. Housing planning as part of IDPs will form the basis for multi-year provincial housing plans, thereby improving planning.

The Municipality has continued its Housing programme in accordance with the Municipal Housing Plan, incorporated in the Integrated Development Plan.

The Human Settlement Section in collaboration with sister departments have delivered on its mandate through various infra-structure related programmes and administrative role that aim to provide the holistic approach to service delivery. This are in line with the regional outcome 9 related to building special integrated communities aligned to National and provincial.

The following outputs on provisions of sustainable Human Settlements and property management were targeted and achieved:

1. New Housing Applications

All applications received were captured on the database of Council for the financial year thus achieving 100% of our targeted goal.

2. Human Settlement Projects Co-ordinated

Chapter 3

A total of 8 Human Settlement projects were co-ordinated in the 2023-2024 financial year and funded through the Distressed Mining Town Grant Allocation in this regard for an amount of R 82,547,480.00.

2.1 Kokosi Ext 6 Completion of sewer network and installation of water meters

Budget = R8, 000,000.00
Construction Progress = 4%
Expenditure = R1 020 142.35
Balance = R6 979 875.65

2.2 Fochville Outfall Sewer

Budget= R10,000,000.00
Inception = 100%
Concept and viability = 100%
DDR and Tender = 100%
Construction Progress = 14,28
Expenditure = R1 423 898.37
Balance = R8 576 101.63

2.3 Khutsong South Installation of Alternative Bulk water Supply

Budget = R14,434, 605.00
Construction progress at 97%.
Expenditure = R14,434,606.00
Balance = R0.00

2.4 Khutsong Rehabilitation of sinkholes

Budget = R12,000,000.00
Inception = 100%
Concept and viability = 100%
DDR and Tender = 100%
Construction Progress = 55%
Expenditure = R7 987 183.52
Balance = R8 012 816.02

2.5 Khutsong South Ext 5 & 6 Internal Roads & Stormwater

Budget = R20,000,000.00
Construction Progress = 97%
Expenditure = R35,000,000.00
Balance =R0

2.6 Khutsong South Ext. 5 Outfall Sewer

Chapter 3

Budget = R2,000,000.00
 Construction Progress = 98.00%
 Expenditure = R1 849 112.32
 Balance = R 150 887.68

2.7 Kokosi Ext 7 East Outfall Sewer & WWTW

Budget = R 29,165,921.00
 Construction Progress = Practical Completion was achieved on 16 February 2024.
 Expenditure = R 29,165,921.00
 Balance = R0,00

2.8 Khutsong South Bulk Electricity

Budget = R20,000,000.00
 Inception = 100%
 Concept and viability = 100%
 DDR and tender = 100%
 Construction Progress = 57.26%
 Expenditure = R11 451 146.48
 Balance = R8 922 490.84

T 3.5.1

Percentage of households with access to basic housing 2023/24			
Year end	Total households (including in formal and informal settlements)	Households in formal settlements	Percentage of HHs in formal settlements
Year -2020/21	560000	350000	62,5%
Year 2021/22	654000	450000	68,8%
Year 2022/23	654000	500000	76,5%
Year 2023/24	684000	540000	78,9%
T 3.5.2			

Chapter 3

Housing Service Policy Objectives Taken From IDP				
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 2021/22	Year 2022/23	Year 2023/24
		Actual	Target	Actual
		Previous Year	Present Year	Following Year
Service Objective xxx				
<i>Provision of bulk services for future housing for all households</i>	Management of bulk services projects for future housing projects	Human Settlement Projects managed	Human Settlement Projects managed	Human Settlement Projects managed
Human Settlement Management	7 Human Settlement Grant Funded Projects Managed	7 Human Settlement Grant Funded Projects Managed	7 Human Settlement Grant Funded Projects Managed	7 Human Settlement Grant Funded Projects Managed
New Housing Applications Capture	New applications captured	100%	100%	100%
Mixed Housing Projects facilitated	Facilitated mixed housing projects	6	7	5
Number of Informal Settlements registered	Number of Informal Settlements registered	100%	100%	100%
Occupancy rate of community rentals	Occupancy rate of community rentals	95%	95%	95%
Number of Tittle Deeds	Number of Tittle Deeds submitted for registration	1000	600	600
T3.5.3				

Chapter 3

Employees: Housing Services+A1:F13					
Job Level	Year 2022/23	Year 2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	3	2	1	33%
7 - 9	8	15	8	6	40%
10 - 12		0		0	0%
13 - 15	1	4	1	3	75%
16 - 18					
19 - 20					
Total	12	23	12	10	43%
					T 3.5.4

Financial Performance Year 2023/24 Housing Services					
R'000					
Details	Year 2022/23	Year 2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		1 503	1 446	2 947	49%
Expenditure:					
Employees	6 497	6 673	5 676	6 497	-3%
Depreciation and amortisation	0		7		
Operational cost	180	104	132	180	42%
Inventory consumed	1	1	1	1	0%
Total Operational Expenditure	6 678	6 778	5 816	6 678	-1%
Net Operational Expenditure	6 678	5 275	4 370	3 731	-41%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.5.5

Chapter 3

Capital Expenditure Year 2023/2024: Housing Services					
R' 000					
Capital Projects	Year 2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	82547480	0	32242884	61%	
Mining Town Allocation	82547480	0	32242884	61%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.5.6					

COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

The following outputs on provisions of sustainable human settlements and property management were targeted and achieved.

1. Management of Municipal owned investment properties

Occupation rate of community rental units is 90%

2. New housing applications

All applications received were captured on the database of Council for the financial year thus achieving 100% of our targeted goal

3. Registration of Title Deeds to eligible beneficiaries lodged for registration

A total number 600 title deeds were registered and received to be handed out to the rightful owners of these houses.

4. Human Settlement Plan

The Human Settlement plan was revised and updated to provide the latest information which is used to assist with planning and obtaining funding for programmes where they are needed.

5. Human Settlement Projects Co-ordinated

A total of 8 Human Settlement projects were co-ordinated for the financial year namely:

Chapter 3

Mining Town Allocation in this regard for 2023/24 amounting to R82 547 480.00

Project Name	Ring Fenced HSDG Budget
Khutsong South Ext. 5 Outfall Sewer	R2 000 000
Khutsong South Installation of Bulk Electricity	R20 000 000
Kokosi Ext. 6 Completion of sewer network & Installation of water meters	R8 000 000
Fochville Outfall Sewer	R10 000 000
Khutsong Rehabilitation of Sinkholes	R12 000 000
Kokosi Ext 7 East Outfall Sewer & WWTP	R4 812 875
Khutsong South Alternative Bulk Water Supply	R5 307 658,95
Khutsong South Ext 6 Internal Roads and Stormwater	R20 426 946,21
Total	R82 547 480

T 3.5.7

3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

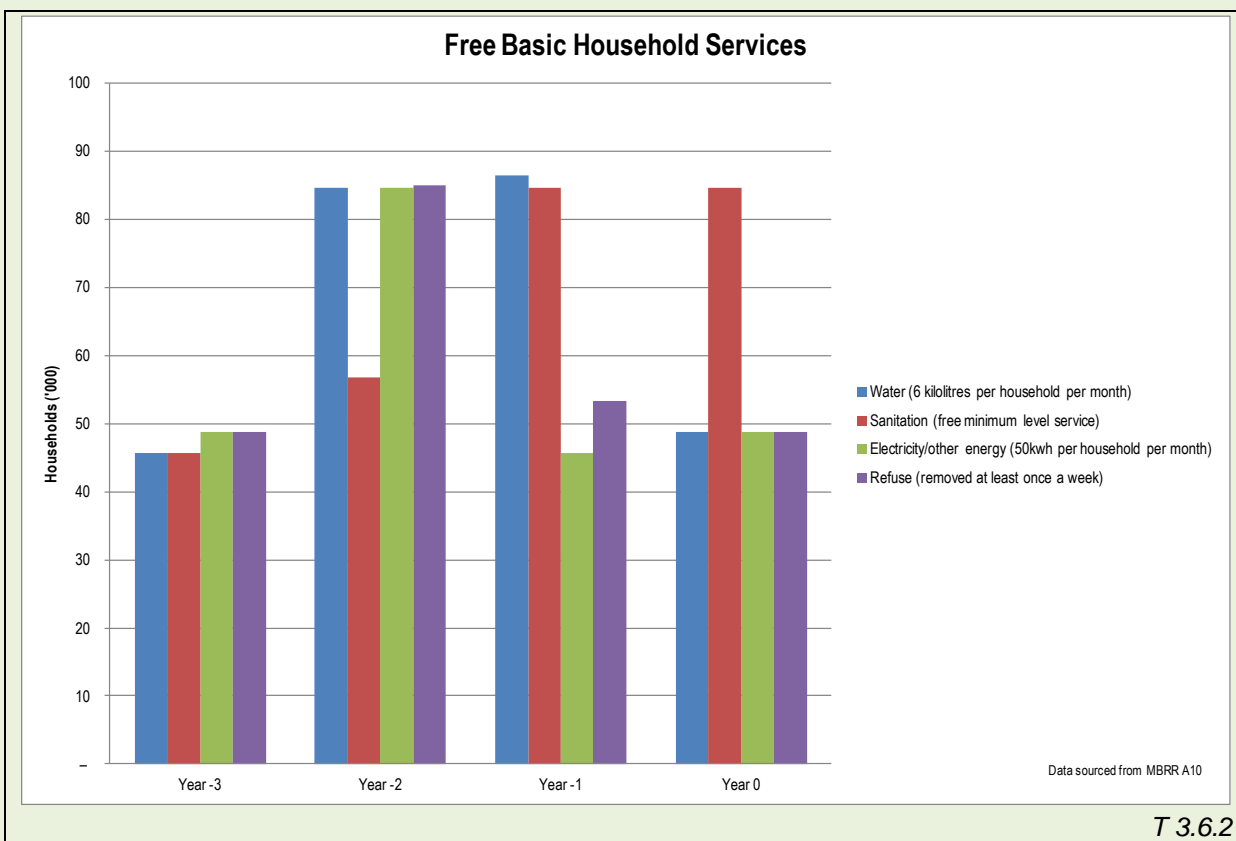
INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The Indigent Free Basics Policy was approved by Council for implementation during May 2023. The Ward based outreach campaigns were implemented in all wards on a quarterly basis. This was done to market the Policy and assist qualifying indigents through the application process. Through these harvesting programs, a total of 3988 new applications were processed and registered in the Municipal indigent register. The approved indigent will remain in the register for a period of 24 months after which new verification will be undertaken to assess if the household still meet the requirements for support. As approved in the Indigent Policy, qualifying indigents are provided with among others, 6kl of free water and 50kws of free electricity on a monthly basis.

The Municipality also supports qualifying indigent households with a full package of burials. In the year in review, a total of hundred and three (103) indigent burials were processed.

T 3.6.1

Chapter 3



Free Basic Services To Low Income Households										
	Number of households									
	Total	Households earning less than R1,100 per month								
		Total	Free Basic Water		Free Basic Sanitation		Free Basic Electricity		Free Basic Refuse	
			Access	%	Access	%	Access	%	Access	%
Year 2020/21	105,000	19,000	15,000	79%	12,000	63%	16,100	85%	9,000	47%
Year 2021/22	108,000	19,800	16,000	81%	12,600	64%	16,500	83%	10,100	51%
Year 2022/23	108,000	19,800	16,000	81%	12,600	64%	16,500	83%	10,100	51%
Year 2022/23	108,000	19,800	16,000	81%	12,600	64%	16,500	83%	10,100	51%

T 3.6.3

Chapter 3

Financial Performance Year 2023/234 Cost to Municipality of Free Basic Services Delivered					
Services Delivered	Year 2022/23	Year 2023/24			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	374 831	403 972	407 737	316 746	-28%
Waste Water (Sanitation)	70 389	79 670	80 332	75 864	-5%
Electricity	287 569	317 806	307 132	276 805	-15%
Waste Management (Solid Waste)	80 091	86 488	82 533	82 747	-5%
Total	753	887936	877734	752162	-18%
					T 3.6.4

Chapter 3

COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The Indigent Free Basics Policy is reviewed annually to develop a framework for support to indigent households in line with National Indigent support provisions. For the year in review, the Policy was approved by Council in May 2023. Households with a household income threshold of R4200.00 the aged, child headed households were profiled and provided with access to basic services.

The Municipality annually contract ward based Indigent verifiers who conduct door to door visits to assist qualifying indigent household to register and benefit from the municipal indigent basic services package.. This process is undertaken in collaboration with affected ward councillors to increase credibility of information provided. The Municipality is exploring access to external verification sources to ensure that only qualifying indigents are supported.

T 3.6.6

COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

INTRODUCTION TO ROAD TRANSPORT

Roads Transport

The municipality implements Roads Transport activities through the district municipality. The municipality provides support by maintaining the infrastructure that supports the operation. Public Facilities such as taxi ranks are being maintained by the municipality.

T 3.7

Chapter 3

3.7 ROADS

INTRODUCTION TO ROADS

Within the roads infrastructure there is construction of new roads and maintenance of existing infrastructure. The municipality has MIG approved business plans that are set to be implemented every financial year. This is meant to address the backlog of unpaved roads. The focus of the MIG funding is to assist in addressing the current backlog of unpaved roads particularly in historically disadvantaged areas. This will go on up until all areas have been fully addressed. From the capital funding a certain percentage is set aside for the purpose of clearing backlogs of gravel roads on historically disadvantaged areas.

The townships of Kokosi and Greenspark have been prioritised by the strategy and about 95% of gravel roads have been eliminated. The challenge still remains with Khutsong township but a plan has been made for the upcoming financial years. Certain housing projects come with roads network projects attached, therefore assisting the municipality in eliminating the backlog.

Priority is given to Khutsong township in terms of elimination of gravel roads since other areas are better off. Grading of roads in areas with no tar roads has been prioritised as means of maintenance programmes throughout the financial year.

T 3.7.1

Gravel Road Infrastructure				
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Kilometers Gravel roads graded/maintained
Year 2021/2022	174.9	0	1.45	2.2
Year 2022/2023	174.9	0	3.5	73
Year 2023/2024	174.9	0	4.3	89.3
T 3.7.2				

Tarred Road Infrastructure Kilometers					
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained
Year 2021/2022	374	1.45	0	0	0
Year 2022/2023	382.6	3.5	0	0	0
Year 2023/2024	386.1	4.3	0	3 (slurry sealing)	
T 3.7.3					

Chapter 3

Cost of Construction/Maintenance						
						R' 000
	Gravel			Tar		
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained
Year 2021/2022	0	8 748 033	644 501	8 748 033	0	644 501
Year 2022/2023	0	-	-	-	-	-
Year 2023/2024	0	33 502 344	2 336 175	-	6 808 000	6 808 000
						T 3.7.4

Chapter 3

Road Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 2021/2022		Year 2022/2023			Year 2020/2021	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	 (iv)	*Previous Year (v)	*Current Year (vi)	 (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective: Provision of Basic Service Delivery (Goal 1)									
<i>Elimination of gravel roads in townships</i>	Kilometers of gravel roads tarred (Kilometers of gravel road remaining)	174.9 KM gravel roads remaining	3,5 KM gravel roads tarred (174.9 KM gravel roads remaining)	173.45 KM gravel roads remaining	4,3 KM gravel roads tarred (169.45KM gravel roads remaining)	4.3 KM gravel roads tarred (169.45KM gravel roads remaining)	Baseline (169.45KM gravel roads remaining)	169.45	169.45
<i>Development of municipal roads as required</i>		3,5 KM	3.5 KM	4,3 KM	4.3KM	4.3 KM	4.3 KM	5.7	5.7KM
T 3.7.6									

Chapter 3

Employees: Road Services					
Job Level	Year -2022/23	Year 2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	3	2	1	33%
7 - 9	4	20	4	16	80%
10 - 12	4	8	4	4	50%
13 - 15	15	35	11	24	69%
16 - 18	-	-	-	-	
19 - 20	-	-	-	-	
Total	26	67	22	45	67%
T3.7.7					

Financial Performance Year 2023/24: Road Services					
R'000					
Details	Year 2022/23	Year 2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					0
Expenditure:					
Employees	10 041	10 864	8 319	9 878	-10%
Depreciation and amortisation	1	1		100	99%
Disposal of PPE	1	1		1	0%
Operational cost	394	394	7 150	2 360	83%
Inventory consumed	1	1		1	0%
Total Operational Expenditure	10 438	11 261	15 469	12 340	9%
Net Operational Expenditure	10 438	11 261	15 469	12 340	9%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.7.8					

Chapter 3

Capital Expenditure Year 2023/2024: Road Services					
					R' 000
Capital Projects	Year 2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	72 227	71 046	75 016	4%	
Khutsong Roads and Stormwater (Phase 6)	1 000	2 085	2 085	52%	8 783
Khutsong Roads and Stormwater (Phase 7)	9 500	8 765	12 348	23%	13 762
Khutsong Roads and Stormwater (Phase 8)	800	817	817	2%	817
Kokosi Roads and Stormwater (Phase 4)(2)	7 000	1 200	91	-7592%	91
Kokosi Roads and Stormwater (Phase 5)	2 900	1 454	1 454	-99%	10 643
Kokosi Roads and Stormwater (Phase 6)	3 500	10 241	10 241	66%	16 058
Kokosi Roads and Stormwater (Phase 7)	14 000	19 500	21 987	36%	25 867
Kokosi Roads and Stormwater (Phase 8)	800	2 500	2 486	68%	2 486
Wedela Ext 3 Roads and Stormwater (Phase 6)	1 500	757	757	-98%	10 564
Wedela Ext 3 Roads and Stormwater (Phase 7)	9 000	1 500	628	-1333%	688
Wedela Ext 3 Roads and Stormwater (Phase 8)	800	800	798	0%	798
Khutsong South Ext 5 & 6 Internal Roads and Stormwater	20 427	20 427	20 427	0%	35 000
Rehab of Carletonville Cemetery Road	1 000	1 000	897	-11%	897
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.7.9

Chapter 3

COMMENT ON THE PERFORMANCE OF ROADS OVERALL:

Khutsong Roads and Storm water (Phase 6)

New Project 2021/2022. LSO Consulting (Pty) Ltd was appointed. Amendment of assignment for Consultant services to turn-key basis dd 20/06/2022. Project launched 10-11-2022. Turnkey-subcontractor Raesibe Infrastructure/Leshoboro JV was appointed as a sub-contractor. Project completion successfully achieved on 07/09/2023. Close-out reports were issued.

Khutsong Roads and Storm water (Phase 7)

New Project 2022/2023. New Assignment for consultant 29/07/2022 to Maruapula Consulting (Pty) Ltd was issued for this and milestones were not achieved. Amendment of assignment for Consultant services to turn-key basis dated 15/02/2023 and initiation meeting was held on 27-02-2023. Turnkey-subcontractor Mmamoleboge K & R Retail JV didn't achieve planned target due to slow progress of works on. Contractor has been delayed due to sewer spillages, slow delivery of material. Contract commenced on 26 April 2023. Subcontractor appointed 11-05-2023. Construction progress at 95%, delays on base construction due to sewerage spillages, inspection for practical completion scheduled for 05/07/2024

Khutsong Roads and Storm water (Phase 8)

New Project 2023/2024 LSO Consulting (Pty) Ltd was appointed on the 01/09/2023. Initiating meeting was held on 22 September 2023. The consultant submitted the inception as per the agreed milestone. Overall progress on Inception = 100% and Concept & Viability = 100%. Stage 3 DDR = 100% approved by MCLM, stage 4 progress = 90%. Awaiting contractor appointment.

Wedela Ext 3 Roads and Stormwater (Phase 6)

Morad Consulting Engineers was appointed on 20 July. Amendment of assignment for Consultant services to turn-key basis dd 20/06/2022. A sub-contractor ATT Global cc was appointed on 27/09/2022. Practical completion reached 17 October 2023 and construction status is at 100. Completion certificate issued to MCLM on 31 March 2024.

Wedela Ext 3 Roads and Stormwater (Phase 7)

TKQ Consulting Engineers were appointed. Consultant was appointed on 29/07/2023 and design reports were received. Tender document submitted and approved. SCM to advertise the tender. Budget provision was only for designs during the 2022/2023 FY. The tender document was advertised on 24 April 2023. Planned project period is 5 months. Site handover meeting held on 30/05/2024. Site establishment complete, construction progress = 9%. Multi-Year Provisional Budget for 2024/25.

Wedela Ext 3 Roads and Stormwater (Phase 8)

Kago Built Environment Consultants (Pty) Ltd were appointed on 01/09/2023 for this. Initiating meeting was held on 22 September 2023. Inception report was received and reviewed by municipality. Inception = 100%. DDR submission delayed due challenges with survey, revised planned submission of DDR is 07/06/2024. Contractor - Situkulwane Lesisha Construction was appointed on 16-05-2024 from panel. DDR stage 3 issued for approval on 25/06/2024, review meeting scheduled for 10/07/2024.

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Kokosi Roads and Storm water (Phase 4):

New Project 2023/2024. Kabe Consulting has been appointed on 1 September 2023. The initiating meeting was held on 22 September 2023 and the Inception report was submitted on 24 October 2023. The inception report has discussed with the owner department on 30 October 2023. The Topographical consultant, geotechnical consultant and environmental consultant has been appointed. Consultant to do investigation of the road layer already be contracted by previous contractor and the investigations will inform if new design can be redone to unlock the project to kick start. The consultant is currently busy with the Final design report. Approval of subconsultants (geotech & survey) received on 24/04/2024, stage 2 & 3 to be completed by 2024/25. Contractor - Sivuthumlilo Trading was appointed on 16-05-2024 and construction works to commence in 2024/25. PDR stage 2 report issued on 14/06/2024 for approval.

Kokosi Roads and Stormwater (Phase 5):

Project rolled over from 2020/21 FY. Site Handover meeting conducted on 06-05-2021. The contractor failed to adhere to their construction program. Construction progress is at 100%. Practical completion was reached on 19 October 2023. A request for information on the close out report was sent to Kabe on 29 January 2024 and 29 February 2024. The consultant indicated on 8 March 2024 that the close out documentation has been submitted to PMU during March 2024.

Kokosi Roads and Stormwater (Phase 6):

New Project from the 2021/2022 financial year. The consultant was appointed on 20/07/2021. Project was launched 14-02-2023. An amendment of the assignment for Consultant services to turn-key basis was done on 31/05/2022. Practical completion achieved 22-01-2024. The variation order on the clearvu fencing and access concrete slabs has been approved on 16 February 2024 and the contractor completed the installations. Completion was reached on 07/02/2024 and the completion certificate was issued.

Kokosi Roads and Stormwater (Phase 7):

The Consultant appointed on 15/02/2023. New assignment for consultant dd 29-07-2022. Construction planned to be implemented during 2023/24 FY. Amendment of assignment for Consultant services to turn-key basis dd 15/02/2023. The contractor appointed on 23 May 2023. The contractor planned to complete on 26 Feb 2024. Contractor appointed on 23 May 2023. Stage 5. The consultant submitted an application of extension of time claim on 17 February 2024 for an extension up to 5 April 2024 due to the approval of the variation orders. Practical completion reached on 17/05/2024 and completion reached on 25/06/2024. Consultant preparing close-out documentation.

Kokosi Roads and Stormwater (Phase 8):

New Project 2023/2024. The Consultant was appointed on 01 September 2023. The project was initiated on 22 September 2023 and the inception report has been submitted on 30 October 2023. Overall progress on 1) Inception = 100% 2) Concept & Viability = 100% 3) Design & Development = 100%. Stage 3 - Design Approved. Stage 3 approval letter issued. Tender document issued. Contractor - Nandzu Trade and General Projects was appointed on 16 May 2024 from the panel. The site handover was held on 4 April 2024.

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Khutsong South Ext 5 & 6 Internal Roads & Stormwater

Amendment of assignment for Consultant services to turn-key basis dated 10/02/2022. Contractor was appointed and project was launched on the 28/03/2023. Sectional completion issued for portion of the works, contractual end date for remaining works is 30 June 2024. Frustrations regarding sewer spillages, additional budget required for remaining scope. Construction progress = 87%, anticipated completion on 30/06/2024, EOT 1 claim submitted for approval, notice for EOT2 submitted for approval

Khutsong Rehabilitation of Sinkholes

Lihuzu Projects (Pty) Ltd was appointed on 01/09/2023. Inception = 100%. Concept and viability=100%. DDR and tender document issued. Initiating meeting was held on 22 September 2023. Contractor Jolinkomo Trading and Projects was appointed on 23/04/2024, site handover meeting held on 30/05/2024

T 3.7.10

3.8 TRANSPORT (INCLUDING VEHICLE LICENSING & PUBLIC BUS OPERATION)

INTRODUCTION TO TRANSPORT

This component includes Motor Vehicle Registration Authority (MVRA), Vehicle Testing Centre (VTS) as well as Driving License Testing Centre (DLTC). It includes issuing of vehicle permits, road worthiness of vehicles and application for learners, drivers and professional driving permits in line with the National Road Traffic Act 93 of 1996.

In addition, the South African Post of Services is mandated to do renewal of motor vehicle licensing. As a result, this reduced the number of renewals of motor vehicle licensing at the municipality. In addition, learner license test is computerized. The bookings on DLTC are conducted by RTMC. (<http://online.natis.gov.za>)

South African Post Office is registered as an agent to renew motor vehicle licenses. In addition, legislation authorized a person to renew a motor vehicle license at any local authority within Gauteng Province with a renewal notice.

No bus Service in Merafong Municipality.

T 3.8.1

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Municipal Bus Service Data					
		2021/2022	2022/2023		2023/2024
	Details	Actual No.	Estimate No.	Actual No.	Estimate No.
1	Passenger journeys	The Municipality does not have bus services.			
2	Seats available for all journeys				
3	Average Unused Bus Capacity for all journeys				
4	Size of bus fleet at year end				
5	Average number of Buses off the road at any one time				
6	Proportion of the fleet off road at any one time				
7	No. of Bus journeys scheduled				
8	No. of journeys cancelled				
9	Proportion of journeys cancelled				
					T 3.8.2

Chapter 3

Police Policy Objective Taken from IDP							
Service Objectives	Outline Service Targets	2022/2023		2023/2024		2024/2025	
		Target	Actual	Target	Actual		
Target						Actual	
Service Indicators							
Service Objective							
Reduction in road accidents	Reduction in road accidents over the years	1208	1222	1208	1354	1354	1354
							T 3.8.3

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Employees: Transport Services					
Job Level	2020/2021	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	1	100%
4 - 6	4	4	2	2	50%
7 - 9	17	17	13	4	78%
10 - 12	25	25	19	6	80%
13 - 15	6	6	1	5	60%
16 - 18	0	0	0	0	0%
Total	52	53	35	18	75%

T3.8.4

COMMENT ON THE PERFORMANCE OF TRANSPORT OVERALL:

The Registration and licensing section still negotiating with the Gauteng Department of Transport for Service Level Agreement to do registration and licensing of motor vehicles, learner license and driver licenses. The South African Post Office is also registered as an agent to renew motor vehicle licenses. As a result, this reduced the number of renewals of motor vehicle licensing at the municipality. The National Road Traffic Act. 93/1996 authorized a person to renew a motor vehicle license at any local authority within Gauteng Province with a renewal notice. In Merafong Municipality some mines and businesses are closed due to economy, the loss will be plus minus 200 (motor vehicles, trucks and trailers crones.

This section is responsible for the testing of learners and driver's licenses as well as testing of vehicles in terms of legislation. The learner license test is computerized. The Road Traffic Management Corporation (RTIC) has implemented the online booking system for bookings to reduce fraudulent: *online.natis.gov.za*. Pensioners above sixty (60) years of age are allowed to walk in without booking online.

The project was registered for the building of the New Driver License offices in Carletonville. The building is at 90% completion. This will improve on service delivery and compliance to the best practice model.

T 3.8.7

Chapter 3

3.9 WASTE WATER (STORMWATER DRAINAGE)

INTRODUCTION TO STORMWATER DRAINAGE

Within the roads infrastructure there is construction of new roads and maintenance of existing infrastructure. The municipality has MIG approved business plans that are set to be implemented every financial year. This is meant to address the backlog of unpaved roads. The focus of the MIG funding is to assist in addressing the current backlog of unpaved roads particularly in historically disadvantaged areas.

This will go on up until all areas have been fully addressed. From the capital funding a certain percentage is set aside for the purpose of clearing backlogs of gravel roads on historically disadvantaged areas. The townships of Kokosi and Greenspark have been prioritised by the strategy and about 95% of gravel roads have been eliminated. The challenge still remains with Khutsong township but a plan has been made for the upcoming financial years. Certain housing projects come with roads network projects attached, therefore assisting the municipality in eliminating the backlog.

Priority is given to Khutsong township in terms of elimination of gravel roads since other areas are better off.

Grading of roads in areas with no tar roads has been prioritised as means of maintenance programmes throughout the financial year.

T 3.9.1

Stormwater Infrastructure Kilometers				
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Stormwater measures maintained
Year 2021/2022	No Baseline	0.25	455 units kerb inlets cleaned and repaired	455 units of kerb-inlets cleaned and repaired and 1262 meters channels cleaned.
Year 2022/2023	No Baseline	0	406 units kerb inlets cleaned and repaired	406 units kerb inlets cleaned and repaired
Year 2023-2024	No baseline	8.6	745 units, kerb inlets cleaned and repaired	745 units, kerb inlets cleaned and repaired

T 3.9.2

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COMMENT ON THE PERFORMANCE OF STORMWATER DRAINAGE OVERALL:

Roads and Stormwater

Khutsong Roads and Storm water (Phase 6)

New Project 2021/2022. LSO Consulting (Pty) Ltd was appointed. Amendment of assignment for Consultant services to turn-key basis dd 20/06/2022. Project launched 10-11-2022. Turnkey-subcontractor Raesibe Infrastructure/Leshoboro JV was appointed as a sub-contractor. Project completion successfully achieved on 07/09/2023. Close-out reports were issued.

Khutsong Roads and Storm water (Phase 7)

New Project 2022/2023. New Assignment for consultant 29/07/2022 to Marupula Consulting (Pty) Ltd was issued for this and milestones were not achieved. Amendment of assignment for Consultant services to turn-key basis dated 15/02/2023 and initiation meeting was held on 27-02-2023. Turnkey-subcontractor Mmamoleboge K & R Retail JV didn't achieve planned target due to slow progress of works on. Contractor has been delayed due to sewer spillages, slow delivery of material. Contract commenced on 26 April 2023. Subcontractor appointed 11-05-2023. Construction progress at 95%, delays on base construction due to sewerage spillages, inspection for practical completion scheduled for 05/07/2024

Khutsong Roads and Storm water (Phase 8)

New Project 2023/2024 LSO Consulting (Pty) Ltd was appointed on the 01/09/2023. Initiating meeting was held on 22 September 2023. The consultant submitted the inception as per the agreed milestone. Overall progress on Inception = 100% and Concept & Viability = 100%. Stage 3 DDR = 100% approved by MCLM, stage 4 progress = 90%. Awaiting contractor appointment.

Wedela Ext 3 Roads and Stormwater (Phase 6)

Morad Consulting Engineers was appointed on 20 July. Amendment of assignment for Consultant services to turn-key basis dd 20/06/2022. A sub-contractor ATT Global cc was appointed on 27/09/2022. Practical completion reached 17 October 2023 and construction status is at 100. Completion certificate issued to MCLM on 31 March 2024.

Wedela Ext 3 Roads and Stormwater (Phase 7)

TKQ Consulting Engineers were appointed. Consultant was appointed on 29/07/2023 and design reports were received. Tender document submitted and approved. SCM to advertise the tender. Budget provision was only for designs during the 2022/2023 FY. The tender document was advertised on 24 April 2023. Planned project period is 5 months. Site handover meeting held on 30/05/2024. Site establishment complete, construction progress = 9%. Multi-Year Provisional Budget for 2024/25.

Wedela Ext 3 Roads and Stormwater (Phase 8)

Kago Built Environment Consultants (Pty) Ltd were appointed on 01/09/2023 for this. Initiating meeting was held on 22 September 2023. Inception report was received and reviewed by municipality. Inception = 100%. DDR submission delayed due challenges with survey, revised planned submission of DDR is

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07/06/2024. Contractor - Situkulwane Lesisha Construction was appointed on 16-05-2024 from panel. DDR stage 3 issued for approval on 25/06/2024, review meeting scheduled for 10/07/2024.

Kokosi Roads and Storm water (Phase 4):

New Project 2023/2024. Kabe Consulting has been appointed on 1 September 2023. The initiating meeting was held on 22 September 2023 and the Inception report was submitted on 24 October 2023. The inception report has discussed with the owner department on 30 October 2023. The Topographical consultant, geotechnical consultant and environmental consultant has been appointed. Consultant to do investigation of the road layer already be contracted by previous contractor and the investigations will inform if new design can be redone to unlock the project to kick start. The consultant is currently busy with the Final design report. Approval of subconsultants (geotech & survey) received on 24/04/2024, stage 2 & 3 to be completed by 2024/25. Contractor - Sivuthumlilo Trading was appointed on 16-05-2024 and construction works to commence in 2024/25. PDR stage 2 report issued on 14/06/2024 for approval.

Kokosi Roads and Stormwater (Phase 5):

Project rolled over from 2020/21 FY. Site Handover meeting conducted on 06-05-2021. The contractor failed to adhere to their construction program. Construction progress is at 100%. Practical completion was reached on 19 October 2023. A request for information on the close out report was sent to Kabe on 29 January 2024 and 29 February 2024. The consultant indicated on 8 March 2024 that the close out documentation has been submitted to PMU during March 2024.

Kokosi Roads and Stormwater (Phase 6):

New Project from the 2021/2022 financial year. The consultant was appointed on 20/07/2021. Project was launched 14-02-2023. An amendment of the assignment for Consultant services to turn-key basis was done on 31/05/2022. Practical completion achieved 22-01-2024. The variation order on the clearvu fencing and access concrete slabs has been approved on 16 February 2024 and the contractor completed the installations. Completion was reached on 07/02/2024 and the completion certificate was issued.

Kokosi Roads and Stormwater (Phase 7):

The Consultant appointed on 15/02/2023. New assignment for consultant dd 29-07-2022. Construction planned to be implemented during 2023/24 FY. Amendment of assignment for Consultant services to turn-key basis dd 15/02/2023. The contractor appointed on 23 May 2023. The contractor planned to complete on 26 Feb 2024. Contractor appointed on 23 May 2023. Stage 5. The consultant submitted an application of extension of time claim on 17 February 2024 for an extension up to 5 April 2024 due to the approval of the variation orders. Practical completion reached on 17/05/2024 and completion reached on 25/06/2024. Consultant preparing close-out documentation.

Kokosi Roads and Stormwater (Phase 8):

New Project 2023/2024. The Consultant was appointed on 01 September 2023. The project was initiated on 22 September 2023 and the inception report has been submitted on 30 October 2023. Overall progress on 1) Inception = 100% 2) Concept & Viability = 100% 3) Design & Development = 100%. Stage 3 - Design Approved. Stage 3 approval letter issued. Tender document issued. Contractor - Nandzu Trade and General Projects was appointed on 16 May 2024 from the panel. The site handover was held on 4 April 2024.

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Khutsong South Ext 5 & 6 Internal Roads & Stormwater

Amendment of assignment for Consultant services to turn-key basis dated 10/02/2022. Contractor was appointed and project was launched on the 28/03/2023. Sectional completion issued for portion of the works, contractual end date for remaining works is 30 June 2024. Frustrations regarding sewer spillages, additional budget required for remaining scope. Construction progress = 87%, anticipated completion on 30/06/2024, EOT 1 claim submitted for approval, notice for EOT2 submitted for approval.

T3.9.9

COMPONENT C: PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

INTRODUCTION TO PLANNING AND DEVELOPMENT

The key objective is to achieve integrated planning, optimal connectivity, liveable sustainable human settlements, and growth and green smart developments, is entrenched in the Spatial Development Framework. The SDF was reviewed to be aligned with the Gauteng City Region and Corridor Development Initiative, Special Economic Zones and to incorporate the Capital Expenditure Framework.

The Spatial Development Framework recognizes economic opportunities and guides new development opportunities to be strategically placed to achieve sustainable integrated planning and capital investment.

The municipality is committed to facilitate Radical Economic Transformation and to diversify the economy from the dominant mining sector. In this regard several catalytic projects have been identified that can change the face of Merafong City and the West Rand if investment can be attracted.

In the previous years it was reported that business plans were submitted to the Gauteng Funding Agency to facilitate Radical Economic Transformation within the West Rand, but to date no funding were received for the following projects:

- Carletonville Multi Nodal Transport Hub
- Khutsong South Extensions Taxi Rank
- Kokosi Precinct Upgrade
- Kokosi Social Development Cluster
- Fochville- Kokosi Regional Park

The modernisation of Human Settlements and urban development as one of the pillars for radical transformation is achieved through fully integrated township layouts for residential, business and community facilities for the following approved Mega Projects:

- Khutsong South Human Settlement Projects (next phases)
- Khutsong South Extension 8
- Elijah Barayi Village Mega Project
- Kokosi Extension 7

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Due to a series of sinkhole formations in Khutsong, the Khutsong Resettlement Plan has received renewed attention at National level. The National Department of Human Settlement has appointed the Housing Development Agency (HDA) to provide urgent support to Merafong City, by inter alia develop a tangible action plan with specific mandated targets. The Khutsong Disaster Intervention Plan, co-ordinated by Gauteng CoGTA, facilitates intervention plans from various Sector Departments in Merafong City. The Khutsong Resettlement Plan will be a catalytic project to attract investment and to fully develop the Carletonville-Khutsong-Welverdiend Corridor.

The attraction and implementation of Mega projects is dependent on the availability of bulk services pertaining to water, sewer and electricity. The Municipality also has a challenge of aging infrastructure that urgently needs rehabilitation. This aspect will also be addressed through the Khutsong Resettlement Plan and the Khutsong Disaster Intervention Plan facilitated by CoGTA.

The Municipality is confident that its Strategic Planning Framework provides a solid foundation to attract investment for mega projects to facilitate growth and development in Merafong City, as part of the Gauteng City Regions' Western Corridor Development.

T 3.10

Chapter 3

3.10 PLANNING

INTRODUCTION TO PLANNING

Spatial Planning in Merafong City is guided by the Spatial Development Framework and the strategies outlined in the Planning Framework to ensure the following:

- Improve Urban Efficiency and rectify spatial disparities
- Improve urban and rural living environment
- Facilitate sustainable economic growth and diversification
- Protect natural and agricultural resources

Improve Urban Efficiency and rectify spatial disparities

In order to achieve integrated urban areas and restructure the urban form to meet current and future efficiency challenges, the following were achieved:

- Improvements were made to the Municipal Spatial Development Framework, with special reference to new growth management zones to guide development in accordance with the future desired state, and to incorporate the Capital Expenditure Framework.
- The Municipality has promulgated its new uniform Land Use Scheme on 16 August 2020, which is currently being implemented.
- Continuation of the implementation of existing and new Mega Human Settlement projects in order to rectify spatial disparities.

The main challenges experienced in this regard were related to funding constraints for the rehabilitation and construction of bulk infrastructure which caused a delay in the implementation of Human Settlement and development projects. Human Settlements is however a Provincial function and therefore the municipality is dependent on budget allocations from the National- and Provincial Annual Budget Allocations.

Improve urban and rural living environment

In order to create a conducive living environment for the community where basic needs are met, the cost of living is bearable, amenities and employment are accessible and urban spaces are aesthetically pleasing and healthy, the following was achieved:

- The MSDF identified land for economic development interventions in previously disadvantaged areas to enable the implementation of economic development projects.
- Non-Motorized Transport priorities and needs were identified and communicated to Gauteng Province as part of the Gauteng Renewed Focus on Non-Motorized Transport.
- Land was identified in previously disadvantaged areas for alienation for churches, businesses, residential development and NPO's, in order to support a better functioning social environment.
- Land was identified and availed for social infrastructure development in various areas comprising of clinics and libraries.

The main challenges experienced in this regard stem from the presence of dolomite which greatly reduces viable options for locating facilities in the process of creating improved living environments.

Facilitate sustainable economic growth and diversification

In order to facilitate the development of new economic drivers and the diversification of the economy and to revitalize stagnant economic activity nodes the following was achieved:

- Great strides were made with the conceptualization, project development and funding of Merafong City's game changer projects. The Gauteng Infrastructure Financing Agency (GIFA) concluded the

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feasibility study for the Bio-energy Eco-Industrial Park, which found the project to be feasible in Merafong City. The conceptualization of the project is currently underway.

- After extensive research the designated nodes and corridors in the MSDF were re-aligned in order to yield higher growth results in the urban space.

The main challenges experienced in this regard were the ever present shortage of funding as well as strategically located land for projects. These challenges are however being addressed through co-operation with the local Mining Houses and Gauteng Province.

Protect natural and agricultural resources

In order to protect and actively manage the natural environmental resources of Merafong City to ensure a sustainable co-existence between urban, mining, agricultural and ecological land uses, the following was achieved:

- The MSDF was aligned to the new Gauteng Environmental Management Framework. Climate change mitigation measures were improved through the designation of new protected critical diversity areas. The renewed focus was placed on the inter-relation between spatial planning and conservation of wetlands by a new partnership between ICLEI, the WRDM and Merafong City.
- The Spatial Planning Section actively attracted interest for green investment that aims to rehabilitate mine impacted land and generate renewable green energy. The envisaged development will for a component of the Bio-energy Eco-Industrial Park bring about a reduction in carbon emissions noticeable on a regional scale.

Funding is once again the main challenge in implementing environmental orientated projects within a context of limited resources and competing social and economic needs.

Service delivery priorities pertaining to Land Use Management, Spatial Planning and Building Control were addressed in accordance with the Service Delivery Budget Implementation Plan (SDBIP) of Council.

The main services delivery priority pertaining to land use management was the implementation of the Spatial Planning & Land Use Management Act (SPLUMA) (Act 16 of 2013) which came into operation on 1 July 2015. The main intention of SPLUMA is to streamline Spatial Planning and Land Use Management and to promote a uniform system of spatial planning and land use management. Funding was received from GDRDLR for the compilation of a new uniform Land Use Scheme for the entire Merafong City. The new Land Use Scheme was promulgated on 16 August 2020, and are currently implemented.

The categorization of applications, the delegation of certain powers to the Designated Officer and the adoption of SPLUMA By-Laws has improved performance and efficiency within the Department. The SPLUM By-Laws were reviewed and aligned with the new Land Use Scheme, which was also promulgated on 16 August 2020. In comparison to the previous year, there was an increase in applications submitted and finalized. Apart from the challenges experienced with Covid-19 and the negative effect it had on the economy within Merafong City, a total of 39 development applications have successfully been processed.

The increasing number of illegal land uses identified during the year is a serious concern. A tendency has been noted that illegal back rooms are constructed and rented out, some of an informal nature, impacting negatively on services such as sewer, electricity and the living environment. In this regard 36 statutory processes have been implemented for illegal land uses and illegal buildings, and penalties charged.

Within the Building Control Section a concerted effort was made to improve the timeframe for processing building plans. In comparison with the previous year, a significant increase in the submission of building plans was experienced. During this year the total number of building plans approved increased to a total of 163 building plans

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within the legislated timeframe, resulting in no backlog on approval of building plans. The total value of building plans approved however decreased from R248,124,000 to R190 128 000.

T 3.10.1

Chapter 3

Applications for Land Use Development							Applications for Land Use Development		
Detail	Formalisation of Townships		Rezoning		Built Environment		Formalisation of Townships	Rezoning	Built Environment
	Year 2021/2022	Year 2022/2023	Year 2021/2022	Year 2022/2023	Year 2021/2022	Year 2022/2023	Year 2022/2023	Year 2023/2024	Year 2023/2024
Planning application received	0	0	48	39	149	163	1	29	87
Determination made in year of receipt	0	0	38	32	92	94	0	0	0
Determination made in following year	0	0	0	0	0	0	0	0	0
Applications withdrawn	0	0	0	0	0	0	0	0	0
Applications outstanding at year end	0	0	10	7	57	69	0	0	0
							T 3.10.2		

Chapter 3

Planning Policy Objectives Taken From IDP									
Service Objectives <div>Service Indicators</div> (i)	Outline Service Targets (ii)	2021/2022		2022/2023			2022/2023	2023/2024	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Land Use Management	% statutory notices issued within 7 days of identification of Illegal Land use	100%	100%	100%	100%	100%	100%	100%	100%
Spatial Planning	Reviewed SDF	1	1	1	1	1	1	1	1
	SPLUMA - no of applications submitted vs approved	100%	100%	100%	100%	100%	100%	100%	100%
Economic Development	% of developmental municipal owned land advertised for development in accordance with 5 year plan	100%	100%	100%	100%	0%	100%	100%	100%
Building Control	Building plans <500m² attended within 30 days	100%	100%	100%	100%	100%	100%	100%	100%
	Building plans >500m² attended within 60 days	100%	100%	100%	100%	100%	100%	100%	100%
	% bilding inspections conducted vs applied for	100%	100%	100%	100%	100%	100%	100%	100%
	% statutory notices issued within 14 days of identification of Illegal building	100%	100%	100%	100%	100%	100%	100%	100%
T 3.10.3									

Chapter 3

Employees: Planning Services									
Job Level	2021/2022	2022/2023				2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%	No.	No.	No.	%
0 - 3	1	1	1	0	0%	1	1	0	0%
4 - 6	7	18	6	12	67%	18	5	5	28%
7 - 9	2	3	1	2	67%	0	0	0	0%
10 - 12	0	0	0	0	0%	0	0	0	0%
13 - 15	0	0	0	0	0%	0	0	0	0%
16 - 18	0	0	0	0	0%	0	0	0	0%
19 - 20	0	0	0	0	0%	0	0	0	0%
Total	10	22	9	14	64%	19	9	5	26%
									T 3.10.4

Financial Performance Year 2023/2024: Planning Services						R'000
Details	2022/2023	2023/2024				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
Total Operational Revenue	1190	2369	2369	2109	-12%	
Expenditure:						
Employees	9238	7989	7989	8827	9%	
Repairs and Maintenance	143	714	714	0	0%	
Other	118	416	416	43	-867%	
Total Operational Expenditure	9499	9119	9119	8870	-3%	
Net Operational Expenditure	8309	6750	6750	6761	0%	
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.						T 3.10.5

Chapter 3

Capital Expenditure Year 2023/2024: Planning Services					
					R' 000
Capital Projects	2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0%	
No Capital projects	0	0	0	0%	
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
					T 3.10.6

COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:

The Spatial Planning and Environmental Management Section did not have any Capital projects for the year under review. As far as the Operating Expenditure is concerned, only 85% of the approved budget was spend. The 15% saving was due to vacancies within the various Sections. Spatial Planning has a vacancy rate of 58% and Building Control 79%.

T 3.10.7

Chapter 3

3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

INTRODUCTION TO ECONOMIC DEVELOPMENT

Merafong City Local Municipality has a responsibility to create a conducive environment for economic growth and development. Centred on the vision and mission statement of the Municipality is the promotion of local economic development and tourism. Local economic development remains a key national challenge. This is no different in Merafong City. The municipality prides itself in having a comparative advantage within the following growth sectors

Agriculture, Renewable energy, tourism, and manufacturing, this then requires the municipality to put all its efforts on leveraging on these sectors.

The importance of local economic development as part of the growth of the economic sector is entrenched in the following definition of local economic development:

“The purpose of Local Economic Development (LED) is to build up the economic capacity of a local area to improve its economic future and the quality of life for all. It is a process by which public, business and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation”- World Bank

It is by building up the economic capacity of a local area to improve its economic future and the quality of life for all that this definition is being fulfilled. It is a process by which public, business, and non-governmental sector partners work collectively to create better conditions for economic growth and employment generation- World Bank). Job creation and eradication of poverty remain some of the highest priorities for South Africa. The problem, however, remains that job creation is occurring in the secondary and tertiary industries, while many people lack the necessary skills and education to benefit from this.

This necessitates a focus on specific projects that would benefit the poorest of the poor, people with insufficient education and skill levels and more particularly, people in rural areas, who are most adversely affected by poverty.

It is a well-known fact that the economy of Merafong is highly dependent on gold mining and that the sector is in decline. It is therefore of critical importance to create a new economic foundation separate from mining in order for our economy to thrive. The municipality, with the cooperation of its partners and stakeholders from the government, private sector, and the community, needs to restructure the local economy into a vibrant post-mining economy.

Efforts in this regard, however, must be sustainable and viable in the long term. Merafong City approved and adopted Economic Turnaround Strategy titled Re-imagining Merafong City Local Municipality: Vision 2035 during 2023/2024 Financial Year. The Municipality has identified that a specific programme targeting SMME development need to be developed to maximise their potential to create job opportunities.

T 3.11.1

Chapter 3

COMMENT ON LOCAL JOB OPPORTUNITIES:

Employment opportunities are normally associated with a sustainable growing economy, which creates employment opportunities. The economy of Merafong City is mostly dominated by declining mining sector. The mining sector is seeing significant declines, with many of the mining operations in Merafong City winding up operations. The job losses in the mining industry put a serious pressure to the growth of the local economy.

The municipality continues to seek consolidation opportunities. Abundant natural resources resident in our area presents us with great opportunities for local economic development in partnership with the private sector stakeholders, particularly the presence of significant Agricultural development, Renewable Energy and Tourism

It is therefore of critical importance to create a new economic foundation separate from mining to sustain economic activity in Merafong City and to attract new investments into the municipality. The municipality has approved and adopted an Economic Turnaround Strategy titled Re-imagining Merafong City Local Municipality: Vision 2035 during 2023/2024 Financial Year for diversification of the economic baseline of the municipality. Diversification entails supporting the growth of the existing economic sectors in the municipality, as well as identifying and attracting new sectors and investments.

The strategy is premised on six pillars, which aim to facilitate the diversification of Merafong City's local economy. The four pillars are informed by an assessment of the municipality's current economic profile and the type of economic interest that both the public and private sectors have shown in the municipality

Six Pillars of Re-imagining Merafong City Local Municipality- Vision 2035 are:

- ☐ Pillar 1: Renewable Energy
- ☐ Pillar 2: Tourism
 - o Sub-Component 1: Global & Regional Tourism
 - o Sub-Component 2: Adventure Tourism
 - o Sub-Component 3: Heritage Tourism Sub-Component 4: Arts, Culture & Sports Tourism
- ☐ Pillar 3: Agriculture
- ☐ Pillar 4: High Valued Wildlife Real Estate
- ☐ Pillar 5: CBD Revitalization (Business & Service Sector)
- ☐ Pillar 6: Township Revitalization (Business & Service Sector)

The LED Section has number of lined up projects identified through the IDP for Merafong City. The planned projects have a potential of improving the livelihood of the residence in Merafong City. The projects will attract a lot of investors in various towns. These economic development projects will be centre of attraction for the different sections of the targeted townships. From the strategic development facilitation point of view, it is imperative to ensure that the appropriate linkages and interactions between programs and project be established. Such as integrated approach is needed to ensure the optimal rate of implementation and economic development in Merafong City.

T 3.11.4

Chapter 3

Jobs Created during Year 2023/2024 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total (all initiatives)				
Year 2021/2022	4482		4482	Monthly reports
Year 2022/2023	2631		2631	Monthly reports
Year 2023/2024	748		748	Monthly reports
T 3.11.5				

Job creation through EPWP* projects		
	EPWP Projects No.	Jobs created through EPWP projects No.
Details		
2021/2022	27	235
2022/2023	7	127
2023/2024	13	350
* - Extended Public Works Programme	T 3.11.6	

Chapter 3

Local Economic Development Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	Year 2021/2022		Year 2022/2023		Year 2023/2024
		Target	Actual	Target	Actual	Target
<i>Service Indicators</i>						
Service Objective xxx						
Local Economic Development	Jobs creation through LED initiatives	4000	2665	2400	2400	150
	Review of the Merafong Growth and Development Strategy 2014	1	0%	1	0%	1
	Percentage business licence applications and trading permits processed within 30 days	30 days	30 days	30 days	30 days	30 days
	Number of SMME workshops facilitated	3	4	3	3	4
						T 3.11.7

Chapter 3

Employees: Local Economic Development Services					
Job Level	Year 2022/2023	Year 2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	1	0	0%
4 - 6	1	4	1	3	75%
7 - 9	2	3	2	1	33%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	3	8	3	4	50%
					T 3.11.8

Financial Performance Year 2023/24: Local Economic Development Services					
					R'000
Details	Year 2022/23	Year 2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1	1	1	1	0%
Expenditure:					
Employees	1 464	2 620	3 805	1 527	-72%
Depreciation and amortisation	135	750	750	489	-53%
Operational cost	1	1	7	1	0%
Inventory consumed	0	5	5	1	-400%
Total Operational Expenditure	1 600	3 376	4 567	2 018	-67%
Net Operational Expenditure	1 599	3 375	4 566	2 017	-67%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.11.9

Chapter 3

Capital Expenditure Year 2023/2024: Economic Development Services					
R' 000					
Capital Projects	Year 2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0	0	0	0	
Project A	0	0	0	0	0
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.11.10					

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

Merafong City Local Municipality like any other municipality in South Africa, is confronted with the triple challenges of poverty, inequality and unemployment. Merafong City must utilise its limited resources effectively to stimulate the local economy for its citizens. The section should assist the municipality to build local economic capacity to improve its economic potential and the quality of life for all for the benefit of the local citizens. It is a given fact that priority should be given to local communities to explore and take advantage of economic development initiatives in their areas.

The section is involved in a myriad of local economic development initiatives. It should however be made clear, that the LED Office does not have any budget to implement capital projects. The zero budget on LED projects makes it difficult to address increasing issues of poverty in the needing communities of Merafong City, although the section plays an important role in co-ordinating and facilitating local economic development initiatives, programmes and exposing the existing opportunities to both local communities and private/public sector, it has been noticed that real economic development requires a monetary injection to realise its objectives.

INTER-GOVERNMENTAL RELATIONS (IGR)

The section is party to various inter-governmental relation structures with the Gauteng Department of Economic Development and West Rand District Municipality. The relevance of these structures is to share research findings and information on latest trends in LED programmes, reporting on projects' progress, investment opportunities, bilateral agreements, and mutual co-operation on projects. With the information obtained, the section tries to realign its thinking and policies with the provincial directives.

SMALL, MEDIUM & MACRO ENTERPRISES (SMME'S)

A database of the SMME's has been created, of which a copy has been forwarded to the Supply Chain Management Section so that when there are opportunities, SMME's can also benefit. The Section has undertaken a needs analysis and collation process whereby SMME's provide needs that require immediate and urgent response by the municipality. The needs range from procurement processes access to funding and markets. Workshops were arranged to respond to the needs collated, at the workshops where SMME's were capacitated on Tendering and Pricing, Compliance, Customer Management, Business Management and as well as Health and Safety Compliance.

Chapter 3

The biggest contribution to the total value of local economy in recent years has been from manufacturing and business services. The mining sector, which has been a driver in the economy for a long time has drastically declined over the last three decades by an average of about -% per year. Transport, construction and business services have shown the most growth out of all the sectors in recent years.

Given the municipal area's resource endowment, infrastructure network and positioning in the space economy, the major areas of development potential lie in agriculture, manufacturing as well as tourism and eventually urban renewal. This is confirmed by national and especially provincial policies. The following sectors and sub-sectors have a good chance of becoming highly competitive in Merafong:

- Agriculture and agro-processing. Merafong has thousands of hectares of good quality arable land that has been locked away under mine ownership with billions of litres of underground water that could be used for irrigation purposes.
- General industrial development. The area has good industrial development potential. Conditions are favourable for industrial development given the locality of Merafong within the space-economy of the Gauteng Global City Region and existing infrastructure and a blue-collar skills base.
- Circular Economy. A confluence of opportunities and constraints has led to the development of economic concepts relating very strongly to industrial symbiosis and the circular economy. Merafong has the opportunity to reinvent itself and make a leap from lagging sectors to leading sectors that are competitive within the context of the 4th industrial revolution.
- Tourism and urban Renewal. Although the area has seen very little tourism development, there is massive latent potential. Merafong hosts the 6 largest caves in SA, has a site where an entire village was constructed in a cave and also has potential to expand the existing Abe Bailey Nature Reserve to become the largest provincial reserve in Gauteng without sacrificing agricultural land. The area also has a rich history of mining the labour movement and some of the best preserved examples of Mid-Century Modern Architecture in the country

T 3.11.11

Chapter 3

COMPONENT D: COMMUNITY & SOCIAL SERVICES

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES

During the year in review, the Health and Social Development Plan was developed prioritising support for vulnerable groups. The plan included advocacy programs for People with disabilities, older persons, women and children. The Indigent programs were also continued and basic services provided to qualifying indigent households, including provision of burial services to people living in poverty. Food security programs were implemented in collaboration with the Department of Social Development. Through these programs, a total of 5012 food parcels were donated to qualifying households.

T 3.12

3.12 LIBRARIES; ¹COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

INTRODUCTION TO LIBRARIES; COMMUNITY FACILITIES

MERAFONG CITY LIBRARY SERVICES

Merafong libraries and Information Services is vital institution that provides essential services, support community development and promotes culture of learning. Libraries offer multitude of services and play crucial role in the community: here are some of the key points highlighting their importance.

Access to information and vast array of books, periodical, supporting lifelong learning and education for all age groups. Digital access - free internet, Wi-Fi, access to computer usage, bridging the digital divide for those who may not have access at home. Trained library staff assist patrons in finding and using the resources effectively and enhance research and information literacy skills.

Libraries programs enrich the community cultural life and provide much needed information for everyday life engagements.

Libraries are meeting space for communities which foster social interaction and collaboration. Economic impact boost job searches, environmental benefits by lending books and other materials, libraries promote the sharing of resources. and reducing the need for individual ownership therefore minimizing environmental impact.

T3.12.1

¹

Chapter 3

SERVICE STATISTICS FOR LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

Month	Membership 2023/2024			In House Use (Number of _____) 2023/2024				
	Children	Adult	Total	Reference Users	Student Learners	Newspapers/Magazines	ICT (Computer) Users	Total
July '23	8390	12458	20848	23026	46743	2039	19219	91027
August	8431	12538	20969	31545	63655	2981	21397	119578
September	8455	12244	20699	26215	51470	3890	24839	106414
October	8262	12254	20516	28172	49892	3166	30526	111756
November	6520	9572	16092	25463	40882	1444	29020	96809
December	5993	9383	15376	14750	58109	1689	14614	89162
January '24	6306	8873	15179	17842	39461	1246	19337	77886
February	6413	9127	15540	17559	41049	937	22838	82383
March	6849	9453	16302	14257	37355	101	22257	73970
April	6857	9498	16355	18398	37771	112	18375	74656
May	6870	9331	16201	11605	39577	735	36581	88498
June	6852	9254	16106	12686	40314	1868	27133	82001

T 3.12.2

Chapter 3

Libraries; Archives; Museums; Galleries; Community Facilities; Other Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2021/22 Year		2022/23			2023/24	2024/25	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	 (iv)	*Previous Year (v)	*Current Year (vi)	 (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading and Maintenance of Khutsong Community hall	100%	0%	100%	100%	0%	90%	10%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Maintenance of Khutsong South MPCC	100%	0%	0%	0%	0%	100%	0%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading of Carletonville Civic Centre	100%	0%	100%	100%	0%	50%	50%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading of Carletonville Sports Complex	100%	0%	100%	100%	0%	90%	10%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading & Maintenance of Carletonville Lapa	100%	0%	100%	100%	0%	100%	0%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading of Wedela Community hall	100%	0%	100%	100%	0%	100%	0%	0%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading of Molatlhegi community hall	100%	0%	100%	100%	0%	100%	0%	100%

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To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading of Fochville Civic centre	100%	0%	100%	100%	0%	50%	50%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading of Greenspark community hall	100%	0%	100%	100%	0%	100%	0%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading of Carletonville Swimming Pool	100%	0%	100%	100%	0%	100%	1000%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading of Fochville Swimming Pool	100%	0%	100%	100%	0%	90%	10%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Installation, repair and Maintenance of air conditioners for Merafong Municipal Buildings	100%	0%	100%	100%	0%	0%	100%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading and Maintenance of Official Mayoral Residence (Plot 9, Watersedge)	100%	0%	100%	100%	0%	0%	100%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Installation and service of fire extinguishers in all Facilities	100%	0%	100%	100%	0%	0%	100%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading and Maintenance of Carletonville Municipal Head Office	100%	0%	100%	100%	0%	50%	50%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading and Maintenance of Carletonville Traffic Department	100%	0%	100%	100%	0%	20%	80%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading and Maintenance of Fochville Traffic Department	100%	0%	100%	100%	0%	50%	50%	100%

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To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Upgrading and Maintenance of Paypoints	100%	0%	100%	100%	0%	0%	100%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Purchase and installation of generator at Fochville civic centre	100%	0%	0%	0%	0%	0%	100%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Purchase and installation of generator at Fochville Traffic Department	100%	0%	0%	0%	0%	0%	100%	100%
To render an effective and efficient services of our facilities in the Jurisdiction area of Merafong City	Purchase and installation of generator at Carletonville Traffic Department	100%	0%	0%	0%	0%	0%	100%	100%
T 3.12.3									

Chapter 3

Employees: Libraries					
Job Level	Year 2022/23	Year 2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	1	1	0	0%
7 - 9	8	11	8	3	27%
10 - 12	22	25	22	25	100%
13 - 15	6	10	6	4	40%
16 - 18	11	21	11	10	0%
19 - 20	0	0	0	0	0%
Total	47	68	48	42	62%
T 3.12.4					

COMMENT ON THE PERFORMANCE OF LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC) OVERALL:

Merafong City library services provides a safe well protected space for its patrons and staff. Well informed communities make right decisions for their livelihood.
Carletonville library needs revamp as the building is aging and Blybank needs expansion to facilitate the study area.

T 3.12.7

Chapter 3

3.13 CEMETORIES AND CREMATORIIUMS

INTRODUCTION TO CEMETORIES & CREMATORIIUMS

Cemeteries are one of the highly utilised and visited areas in Merafong City, especially during the religious holidays such as Easter and Christmas holidays. The top delivery priorities are the provision of graves for burials, reservation of graves for future use, exhumation of mortal remains for reburial elsewhere, as well as erection of tombstones by families. In addition to that the safe filing and keeping of all records of all cemeteries as well as provision of safe environment through grass cutting, cleaning and tree trimming and maintenance thereof at all cemeteries. Currently three (3) cemeteries in Merafong City are in use.

The Wedela cemeteries is not functional due to the culvert bridge that collapsed in November 2022 after heavy floods. The other seven (7) are no longer in use except for reserved graves. The Greenspark and Kokosi Ext 99 cemeteries were discontinued due to high levels of underground water especially during the rainy season. The demand for new graves has gone up during the 2023/2024 which has a big influence on the demand of burial space. A new Fochville Cemetery has been established as the old one is full in other sections. This cemetery is servicing Fochville, Kokosi, Greenspark and Wedela communities currently.

The digging of graves is done by a contracted service provider for a period of 36 months. Another service provider has been contracted under Social Development for provision of indigent and pauper burials in Merafong City.

T 3.13.1

SERVICE STATISTICS FOR CEMETORIES & CREMATORIIUMS

Cemetery	2022/2023	2023/2024
West Wits Cemetery	120	140
Khutsong South Cemetery	615	628
Fochville Cemetery	325	360
Wedela Cemetery	12	0

T 3.13.2

Chapter 3

Cemeteries and Crematoriums Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 2022/23		Year 2023/24			Year 2023/24	Year 2024/25	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year 2021/ 2022	*Current Year 2022/ 2023	*Following Year 2023/ 2024
Service Objectives: Provision of Local Economic Development and Social Development Services (Goal 2)									
GRAVE DIGGING AS AND WHEN REQUIRED	Khutsong South, West Wits and Fochville Cemeteries	100%	100%			100%	100%	100%	100%
GRASS CUTTING ON OPEN SPACES, SIDEWALKS ON MAIN ROADS, PARKS, CEMETERIES, SPORTS FACILITIES AND MUNICIPAL FACILITIES	All areas in Merafong City LM	100%	100%		100%	100%	65%	100%	100%
TREES TRIMMING & MAINTENANCE	All areas in Merafong City LM	100%	100%	100%	100%	100%	100%	100%	100%
T 3.13.3									

Chapter 3

Financial Performance Year 2023/24: Cemeteries and Crematoriums R'000

Details	Year 2022/23	Year 2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	0	0			
Expenditure:					
Employees	20 025	21 178	20 223	20 062	-6%
Depreciation and amortisation	1	1	900	1	0%
Operational cost	2 912	348	3 197	1 279	73%
Inventory consumed	1	251	0	613	59%
Total Operational Expenditure	22 939	21 778	24 320	21 955	1%
Net Operational Expenditure	-22 939	21 778	24 320	21 955	1%

Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.

T 3.13.5

Capital Expenditure Year 2022/23 Cemeteries and Crematoriums R' 000

Capital Projects	Year 2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	4 200	11 064	10 449	60%	
Development of New Kokosi Cemetery	4 200	11 064	10 449	60%	280

Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).

T 3.13.6

Chapter 3

COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL:

Development of New Kokosi Cemetery:

New Project from the 2021/2022 financial year. Approvals of EIA by GDARD was granted in November 2022 after the intervention from CoGTA. The turnkey subcontractor was appointed on 27-01-. Delay encountered by sewer wayleave approval Gauteng Provincial that is still outstanding, temporary measure septic tank has been installed. Practical completion achieved on 25/04/2024. Consultant preparing close-out documentation.

The Cemeteries section did not have any capital projects during 2023/2024 financial year, except for the grave digging which is done by the contracted service provider. The establishment and development of the New Fochville cemetery was done by PMU as a MIG project. It was completed and handed over to the owner department, which is Parks and Cemeteries in May 2024. All the required functions of the cemeteries were executed internally, successfully. The provision of graves to the community of Merafong City is the main priority and function, which is done as and when required. The rate of burials have increased during the 2023/2024 financial year.

T 3.13.7

3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

HEALTH AND SOCIAL DEVELOPMENT

During the year in review, the Health and Social Development Section developed the Annual Plan which was subsequently approved as the implementation plan of Health and Social Development activities. Prioritised in plan included the Early Childhood Development (ECD). Drug Master Plan, Support for People with Disabilities, Women and Older Persons. During the year in review, a total of ECD practitioners and Non-Profit Organisations from centres around Merafong City were capacitated on Child stimulation, governance and NPO management programs. Seventy ECD practitioners were trained and certificated with Basic First Aid through support from Harmony Gold Mine. In the endeavour to fight the drugs and substance scourge, the Municipality initiated the implementation of the objectives of the National Drug Masterplan.

Three Local Drug Action Committees were established in Kokosi, Wedela and Carletonville. As prescribed in the National Drug Masterplan, the Merafong City Local Drug Action Committee is planned for official launch during the first quarter of the 2024/2025 Financial Year by the Executive Mayor. Nominations of officials from designated Departments have already been received and processed. Four Demand reduction campaigns were operated in communities around the Municipality in collaboration with the government departments in Wedela, Kokosi and Carletonville.

In support of older Persons and People with disability four programs were implemented. Six people with disabilities were identified and enrolled in the SALGA BBBEE Incubation Program This will empower the vulnerable people with entrepreneurial skills to apply for funds and start own businesses The Department is in the process to formally launch the Merafong Older Persons Forum which will assist with the

Chapter 3

community coordination and advocacy for older persons. This structure will be launch during August 2024.

During the year in review, outreach indigent registration indigents continued. Through this process, indigent applications were processed, and qualifying applications registered in the Indigent Register of the municipality. A total of 3988 indigents have been registered. In ensuring the dignity of deceased indigents, a total of 103 indigent burials were provided to qualifying applicants.

Support to Seven child headed families identified and adopted by SALGA and Council for debt Collectors. Continued and monthly food vouchers to the value of R800.00 were sustained to beneficiaries.

The HIV and AIDS and Gender and Disabilities functions were delegated to the Section during September 2024. The administration and implementation of the Program was mandated to the Health and Social Development. The Programme priorities include Door to Door education on HIV and AIDS and the government interventions in reducing the scourge. A total of sixty-Four educators and administrators have been recruited on temporary contracts to implement this objective. Outputs are reported on a quarterly basis through the Portfolio Committee: Health and Social Development. Through this program, a total of 170 000 people were reached,85 000 .households reached and 140 738 Female and Male condoms 437 071 distributed.

T 3.14.1

SERVICE STATISTICS FOR CHILD CARE

Capacity building of ECD practitioners was prioritised to improve support given to children. Additional Seventy (70) practitioners were provided with accredited First AID training course. This was enabled through support from Harmony Gold Mine. The International Children's Day commemoration program was hosted in collaboration with local stakeholders and over one hundred children were reached on awareness talks.

T 3.14.2

Chapter 3

Child Care; Aged Care; Social Programmes Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2022/2023		2023/2024			2022/2023	2023/2024	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective Provision of Local Economic Development and Social Development Services (Goal 2)									
Coordinate and support ECDs on Social Development programs with Provincial Departments	Ensures that basic conditions at ECDs are improved	1 0 0 %	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%
Number of ECD awareness campaigns conducted	Measures the number of ECD awareness campaigns planned v/s conducted	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%
Number of Healthy Communities Plan approved	Measures the development of an integrated Healthy Communities Plan	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%
Calendar of Events on Health and Social Development	Measures the implementation of the Health and Social Development Plan	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%
Provision of Basic Services to the indigents	Measures the percentage of registered indigents supplied with free basic services	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%
Support to indigent families with Indigent burial	Measures the percentage of assistance provided to indigent families vs applications received	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%	1 0 0%
T 3.14.3									

Chapter 3

Employees: Child Care; Aged Care; Social Programmes					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	0	3	0	3	100%
7 - 9	3	4	3	1	25%
10 - 12	0	0	0	0	0
13 - 15	0	0	0	0	0
16 - 18	0	0	0	0	0
19 - 20	0	0	0	0	0
Total	4	8	4	4	50%
					T3.14.4

COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL:

The Health and Social Development Section remains understaffed with the Department totally reliant on interns and external stakeholders for implementation of planned activities. Finalization and registration of verified indigents during the two last two quarters of the financial year were affected by the change in the municipal financial system, Training of registration clerks on the new system was done during the latter quarter. Albeit the shortage of human resources, 100% performance on implementation of the planned programs was achieved.

The Department sustained collaborations with key stakeholders which escalated support for vulnerable groups. Amongst the developmental programs, the BBBEE induction programs capacitated people with disabilities entrepreneurial skills to start own small businesses. The program is anticipated to be continued in the next financial year.

The HIV and AIDS and Gender and Disability functions were transferred to the Health and Social Development. The functions are coordinated by two coordinators who also now form part of the Health and Social Development organogram.

T 3.14.7

Chapter 3

COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and costal protection.

INTRODUCTION TO ENVIRONMENTAL PROTECTION

Environmental protection is the practice of protecting the natural environment by maintaining the quality of air, water, land or ecosystem. The effects that humans have on their environment create issues for the natural environment. This include air pollution, water pollution, and degradation of land.

Humans are advised to cut down on the negative impact to the environment.

Humans are advised to Follow the below-

- The three "R's" reduce, reuse and recycle to conserve natural resources and landfill space.
- Encourage the importance and value of our natural resources.
- Conserve water by using less water you use
- less runoff and wastewater that eventually end up in the ocean.
- Choose sustainable development.
- Use long-lasting light bulbs.
- Energy efficient development and reduce greenhouse gas emissions.
- Planting of more trees to curb carbon footprint.

T 3.14

3.15 POLLUTION CONTROL

INTRODUCTION TO POLLUTION CONTROL

The Environmental Management Sub-Section within the Spatial Planning Department, mainly deals with detection of non-compliance in terms of environmental authorizations (RODs) on new developments, as well as compliance to permit and license conditions of listed activities, which is monitored through monthly audits.

The functions related to pollution control falls within the Municipal Health Services function, which is a District Municipal function. Good collaboration exist to ensure that pollution detected are reported to the relevant authorities for mitigation and control.

Matter pertaining to biodiversity is mainly managed by the West Rand District Municipality, in terms of the Regional Biodiversity Plan.

The environmental management section has conducted monthly audits of all waste management facilities within Merafong City, being the Rooipoort Landfill site, Fochville- and Welverdiend Transfer

Chapter 3

Stations. The compliance to waste management standards and permit conditions remains a serious challenge. The average compliance score for the Rooipoort Landfill Site has remained at 63% in relation to the previous year. The Fochville Transfer Station average compliance rate is still at a staggering 6,25%, whilst the Welverdiend Drop-off facility achieved an average compliance score of 40%.

The inability to implement recommendations remains a serious concern and is evident from the deteriorating environmental conditions. The lack of capacity, compounded by the financial position of Council, to address these issues remains a serious challenge.

Waste collection services throughout Merafong City have also deteriorated during the year which contributed to illegal dumping and waste pollution. The worst affected areas are the informal settlements where no formal waste collection services exists. The Waste Management Section could also not roll-out kerbside collection services to the newly developed human settlements in Khutsong South Extension 4, 5 and 6, Elijah Barayi Village, as well as Kokosi Extension 6. A strategy to address these shortcomings have been developed by the relevant section for implementation as and when funding becomes available.

Monitoring of Waste Water Treatment Facilities

Quarterly audits have been conducted to monitor compliance to the legislative requirements at the 4 Waste Water Treatment Works of Merafong. The Khutsong Waste Water Treatment Plant slightly decreased to an average compliance score of 55%, the Kokosi Waste Water treatment plant has maintained an average score of 67% and the Oberholzer Waste Water Treatment Plant has dropped to an average score of 74%. Recommendations have been made to the relevant sections to ensure full compliance.

The Wedela Waste Water treatment plant was a mine facility but is currently managed by the Municipality. The facility does not have a licence and therefore no formal audits could be conducted. The Water and Sanitation Section is in process to apply for a water use licence.

Monitoring of Kokosi Extension 6 human settlement project - RoD requirements

Pertaining to the compliance of the Environmental Authorisation (RoD) issued for the Kokosi Extension 6 human settlement project, audits are conducted on a monthly basis. The average compliance score achieved throughout the year has increased slightly to 44%. All non-compliance items have been reported to the project steering committee, as the Gauteng Department for Human Settlement is the project implementor.

Landscaping and parks is dealt with by the Parks Section.

T 3.15.1

Chapter 3

SERVICE STATISTICS FOR POLLUTION CONTROL

The following inspections were conducted within the year of review which resulted in 48 non-compliance notices issued:

Audits conducted	-	72
Routine site inspections -		369

T 3.15.2

Chapter 3

Pollution Control Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2021/2022		2022/2023			2022/2023	2023/2024	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	 (iv)	*Previous Year (v)	*Current Year (vi)	 (vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
Water and air purity	% non-compliance detected vs compliance notiices issued within 7 days	100%	100%	100%	100%	100%	100%	100%	100%
	% Environmental Audits Conducted vs Planned	72	72	72	72	72	72	72	72
								T 3.15.3	

Chapter 3

Employees: Pollution Control					
Job Level	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	2	4	2	2	50%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total					
					T 3.15.4

Financial Performance Year 2023/2024: Pollution Control					
					R'000
Details	2022/2023	2023/2024			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue					
Expenditure:					
Employees					
Repairs and Maintenance			Refer to Table 3.10.5		
Other					
Total Operational Expenditure					
Net Operational Expenditure					
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					T 3.15.5

Chapter 3

COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:

Pollution Control is an operational programme within the Spatial Planning & Environmental Management Section. The lack of funding to fund high cost capital infrastructure such as air pollution monitoring stations and sampling equipment impacts negatively on the effectiveness of the function. Due to the financial constraints experienced by the municipality, the likelihood to source funding to expand the function is low. This section therefore mainly focuses on operational audits and monitoring compliance.

T 3.15.7

3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

Bio-diversity as such is not managed by the Environmental Management Sub-section. The Regional-Bio-diversity plan is taken into consideration in the Spatial Development Framework and in the consideration in development applications.

The Section Parks and Cemeteries is responsible for grass cutting on open spaces, sidewalks, traffic islands, parks, cemeteries, town entrances, sports facilities as well as landscaping of municipal gardens in all facilities. This includes the development of and maintenance of parks, town entrances, municipal gardens and management of the municipal nursery, the tree planting as well as maintenance thereof. All grass cutting, maintenance, tree trimming and other activities performed by Parks and Cemeteries are being performed as normal as possible. A tender for a panel of grass cutting service providers was advertised in January 2023, and all due processes were done.

A panel of contractors were appointed for grass cutting on an “as and when required” basis around Merafong City. In January 2024 10 contractors were appointed and given Purchase orders to cut grass around the schools where necessary as part of the Back to School Campaign. Again on 12 March 2024 the same 10 service providers were give PO's for grass cutting at all cemeteries except the Kokosi # 1, #2 and Ext 99 cemeteries which will be done internally. This will continue as and when required.

A mini park was developed at Khutsong South Ward 1 by SALGA to help in eradication of illegal dumping and to also assist in curbing the violence again women and children which has been rife in the area. The park was launched in April 2024.

T 3.16.1

Chapter 3

SERVICE STATISTICS FOR BIO-DIVERSITY AND LANDSCAPE

Landscaping and maintenance of municipal gardens, town entrances and parks is done according to the preapproved sectional plans. The eradication of aquatic and terrestrial alien vegetation has not been done since 2014 due to financial constraints. One (1) mini park was developed in Khutsong South Ward

T 3.16.2

Chapter 3

COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE AND OTHER OVERALL:

Section: Parks and Cemeteries did not have any capital projects during 2022/2023 financial year. The section only focused on grass cutting and maintenance on open spaces, sidewalks, traffic islands, town entrances, parks, cemeteries, municipal facilities and sports facilities, as well as tree trimming at all areas in Merafong City, and the maintenance thereof.

The appointment of ten (10) grass cutting service providers has been of great assistance to the department although the purchase of new equipment will yield better outcomes. All these activities were executed successfully amid the challenges brought by old and worn out machinery and shortage of personnel. The employment of additional personnel, acquisition of new equipment for grass cutting such as tractors will be of great advantage.

T 3.16.7

Chapter 3

COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

INTRODUCTION TO SECURITY & SAFETY

This component is focused in safeguarding of the council assets, property, employees, executive mayor and other dignitaries, clients.

Community Safety Forum (CSF) is another wing/responsibility for municipal security section.

CSF it is a legislated forum, is the umbrella of all other crime forums such as Community Policing Forum (CPF) etc. The forum was established on May 2015, and it consists of many stakeholders such as SAPS, Social development, SANCA, Home Affairs etc. It is a very effective forum with quick response and communication through the social media (what's up). The private company of Fidelity Security Services is backing up the municipal security. The challenge of private security, the council is losing money due to the theft taking place in their presence. Planning of installation of alarm system, CCTV camera and biometrix to all council infrastructures.

The objectives are to:

- Enable communities to participate in the local planning and monitoring of the criminal justice and social cluster department.
- Promote closer co-operation and access to basic services at local level in order to improve living conditions and community cohesion; and
- Support and enhance crime prevention and education programs in partnership with JCPS and Social Cluster departments, local government and communities.

T 3.20

Chapter 3

3.20 POLICE

INTRODUCTION TO POLICE

This component ensures law enforcement relating to roadworthy vehicles, driver fitness, road conditions, promotion of road discipline, safety and education to road users and community safety policing. All law enforcement activities are executed within the legislative framework of National Road Traffic Act 93 of 1996, Municipal By-laws, Criminal Procedure Act 51 of 1977 and the Constitution of the country.

The objective is to do traffic control thus reducing motor vehicle accidents. Public nuisance is addressed through municipal by-laws. Stray animals within the municipality are dealt with in conjunction with the SPCA as per service level agreement.

T 3.20.1

Security and Safety Police Service Data					
	Details	2022/23	2023/24		2024/25
		Actual No.	Estimate No.	Actual No.	Estimate No.
1	Number of road traffic accidents during the year	1208	1222	1354	1354
2	Number of by-law infringements attended	100	111	256	150
3	Number of traffic officers in the field on an average day	51	66	39	40
4	Number of traffic officers on duty on an average day	25	55	26	75
T 3.20.2					

Chapter 3

Employees: Police Officers					
Job Level Police	2022/2023	2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
Administrators	No.	No.	No.	No.	%
Chief Police Officer & Deputy					
Other Police Officers					
4 - 6	5	8	5	4	50%
7 - 9	26	57	27	30	60%
10 - 12	25	29	12	15	22%[
Total	57	94	44	49	100%

T 3.20.4

COMMENT ON THE PERFORMANCE OF POLICE OVERALL:

Law enforcement operational plans are set with the objective to mainly reduce motor vehicle accidents, reducing crime in the area, providing road safety education, road markings and signs, reduction of illegal trading in the area and provision of other special services.

The motor vehicle accident rate increased as compared to previous years due to shortage of traffic personnel. Increase in crime also played a role in this because of reduced staff compliment.

T 3.20.7

Chapter 3

COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

INTRODUCTION TO SPORT AND RECREATION

The Sport and Recreation Section's objective for the Community of Merafong City is to have an active and winning City through Sport & Recreation. To transform the Sport & Recreation environment through integrated, sustainable mass participation, development and high performance at all levels by ensuring equitable access and alignment to government outcomes so as to improve the quality of life of all the citizens of Merafong City.

The Arts, Culture & Heritage Section 's objective and focus is to develop, promote and preserve social cohesion and nation-building through Arts, Culture and Heritage programs. The Section aims to work towards sustainable economic development through partnership with Private and Business Sector.

T 3.23

3.23 SPORT AND RECREATION

SERVICE STATISTICS FOR SPORT AND RECREATION

Month	Program Implemented
July 2023	- Merafong City Mayoral Games
September 2023	- Inter-Governmental/Stakeholder Relations Sport Day - Merafong OR Tambo Soncini Social Cohesion Games
November 2023	- Monate Festive Games
January 2024	- Merafong Community Games
April 2024	- Merafong Soccer Trial

Chapter 3

SERVICE STATISTICS FOR ARTS, CULTURE & HERITAGE 2023/2024

Month	Program Implemented
July 2023	- Provincial Holiday Program
August 2023	- Provincial Theatre & Poetry
September 2023	- Gauteng Choral Music Competition (GACMA) - Provincial Dance Festival - Provincial Carnival - Ezenkolo Gospel Extravaganza
December 2023	- Provincial Dance Festival
March 2024	- Provincial Poetry & Comedy Competition - Theatre & Dance Competition
June 2024	- Siyanqoba Digital Dance Production & Showcasing - Merafong Choral Music Competition

T 3.23.1

Chapter 3

Employees: Sport and Recreation					
Job Level	Year 2022/2023	Year 2023/2024			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	1	0	1	100%
4 - 6	0	2	0	2	100%
7 - 9	1	1	1	0	0%
10 - 12	2	4	2	2	50%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	3	8	3	5	35,71%
					T 3.23.3

Capital Expenditure Year 2023/2024: Sport and Recreation					
					R' 000
Capital Projects	Year 2023/2024				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	4 639	1 720	178	-2506%	
Upgrading & Rehabilitation of Wedela Sport Stadium	2 000	0	0	0%	10 000
Upgrading of Wedela Recreation Club	1 939	1 020	9	-21444%	9
Refurbishing of Kokosi Stadium	700	700	169	-314%	169
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.23.5

Chapter 3

COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:

Upgrading & Rehabilitation of Wedela Sports Stadium

New Assignment for consultant 29/07/2022. Delays in review of designs by DSAC. Amendment of assignment for Consultant services to turn-key basis dd 15/02/2023. A turn-key sub-contractor DODONG TRADING ENTERPRISE obtained Overall Progress 98%. Contractor is currently snagging and completing roof sheeting and cleaning, practical completion planned for end April 2024.

Upgrading of Wedela Recreation Club

Kabe Consulting Engineers (Pty) Ltd was appointed on 01/09/2023. Initiating meeting was held on 22 September 2023. Inception report submitted on 20 October 2023. Inception = 100% . Concept & Viability= 100% . Consultant has resumed with stage 3. Contractor - Moribo iGroup was appointed on 16-05-2024 from panel. Stage PDR report issued for approval on 21/06/2024. MIG appraisal meeting on 25-06-2024 was cancelled and scheduled for 2-07-2024. MIG registration letter still outstanding to report MIG/MIS expenditure. Multi-Year Provisional Budget for 2024/25

Refurbishing of Kokosi Stadium

A new project for the 2023/2024 financial year. The consultant was appointed on 01-09-2023. The initiating meeting was held on 22 September 2023. Survey done on 25 October 2023 and the inception report was submitted on 5 November 2023. Overall progress on Inception = 100%. Design report has started. Expenditure incurred was for the inception stage and reporting and land surveying that was conducted at the sport stadium.

Delays - consultant awaiting specialist supplier quotations on high mast lighting and fencing in order to finalize PDR by 31 March 2024. Delays due to scope change from end-user department on 23/04/2024, consultant to re-design, planned submission of stage 3 on 30/06/2024. MIG appraisal meeting on 25-06-2024 was cancelled and scheduled for 2-07-2024. MIG registration letter still outstanding to report MIG/MIS expenditure.

T 3.23.6

Chapter 3

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

Chapter 3

3.25 FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

INTRODUCTION FINANCIAL SERVICES

The department is tasked with the provision of financial services in an accountable, effective and transparent manner. Strict measures are in place to protect the financial integrity of the municipality as well as to ensure compliance with the Municipal Finance Management Act, Act 56 of 2003 (MFMA).

The following main services are rendered by the department (with an indication of main activities and/or achievements for the year):

Asset Management

Completion of full asset and condition verification. The Asset Register is integrated to Caseware. Financial Reporting Financial Statements were finalised using CCG System and submitted as required by relevant legislation. Qualification audits opinion were achieved on 2024 financial year. The Audit Action Plan was compiled and implemented. Budget tabled and approved in line with legislative deadlines. Monthly and quarterly reports submitted in line with legislative deadlines. All financial/budget related policies were reviewed and approved.

Revenue Management, including billing and collection of municipal rates and service charges. A cash collection rate averaging 50% to 60% was achieved during the year.

Meter readings is particularly a challenge in a municipal environment and as most others, Merafong City strives to improve meter reading. A process to replace old and dysfunctional prepaid water meters is ongoing, audits were conducted on households with low and/or no consumption registered on their meters. Ongoing interactions are taking place with customers with water and electricity meters that are not accessible to the meter readers

Expenditure Management, including the rendering of a payroll function and Supply Chain Management

Expenditure management is an ongoing function with the aim of improving creditor's efficiency by ensuring all creditors were paid within 30 days.

Most of all invoices were paid within 30 days with only invoices in dispute being paid later and the municipality finalised payment arrangements with other creditors including ESKOM and Randwater. A single pay-roll function was rendered and employees were paid via EFT, monthly. All statutory deductions were paid to the relevant bodies within the prescribed legislated timeframes.

In terms of Section 32(4) of the MFMA, it is required that the Accounting Officer of a municipality promptly inform the mayor, MEC for local government in the province and the Auditor-General in

Chapter 3

writing, of: Any unauthorised, irregular, or fruitless and wasteful expenditure incurred by the municipality.

1. Whether any person is responsible or under investigation for such unauthorised, irregular, or fruitless and wasteful expenditure; and

2. The steps that have been taken:

1. To recover or rectify such expenditure; and
2. To prevent a recurrence of such expenditure.

All cases relating to irregular expenditure during the year under review, the Accounting Officer has reported to the Executive Mayor and the MEC for Local Government. All possible irregular expenditure case is in the process of being reported to Council.

A cash collection rate of averaging 50% to 60% was achieved during the year. Merafong City applies its Credit Control Policy consistently and regularly, hands over debt to the appointed panel for debt collection, where accounts remain unpaid for more than three months. A new panel of debt collectors are on site and the focus is on both soft and hard collections. The Debt Collection Policy will again be reviewed during the 2024/25 financial year to ensure effective, but fair debt collection practices are applied.

T 3.25.1

Debt Recovery							
							R' 000
Details of the types of account raised and recovered	Year 2022/23		Year 2023/24			Year 2024/25	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Property Rates	37000	105 658 776.00	581 883 095.00	581 883 095.00	105 658 776.00		
Electricity - B			327 650 208.00	327 650 209.00	147 613 593.00		
Electricity - C							
Water - B			520 880 689.00	520 880 689.00	192 000 000.00		
Water - C							
Sanitation			85 171 255.00	85 171 255.00	46 179 166.00		
Refuse			99 622 641.50	99 622 641.00	35 058 328.00		
Other							
B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.							T 3.25.2

Chapter 3

Concerning T 3.25.2

Debt Recovery

The proportion of account value billed is calculated by taking the total value of the year's revenues collected against the bills raised in the year by the year's billed revenues.

Revenue for the year was recorded at average 50% of the Adjustments Budget. The growth in revenue over the previous year was averages 6% in in line with inflation adjustment. Operating expenditure increased marginally in line with inflation projections over the previous year.

As the municipality collection rate was at average 50% and there is a serious need to implement the revenue enhancement strategy in order to maximise collection. The municipality has been diagnosed to have significant challenges in revenue collection and there are significant amounts of money owed to the municipality by customers especially from the townships.

The amount has accumulated over a period of time due to lack of effective controls in revenue collection. Since the municipality cannot cut electricity in townships in order to force customers to pay for other services like property rates, as this service is supplied by Eskom, the municipality will continue to make use of Debt Collectors as part of implementing stringent credit control policies. With the implementation of revenue enhancement strategy and also exercising very stringent credit control policies.

It has unfortunately become a reality that the rate of unemployment contributes to a low level of collecting debtors which are presently at 50 percent. This is due to increasing unemployment figures, most of the community members cannot afford to pay for services. However, one has to consider the fact that there has already been provided for the less fortunate consumers by means of the indigent policy and the provision of free basic services (6kl free water and 50Kwh free electricity in the 2023/2024 financial year) to indigent consumers.

Strict credit control will have to be implemented and maintained to achieve a payment percentage of 60% or more. Consumers who can afford to pay for services will be pursued to service their municipal accounts.

T 3.25.2.1

Chapter 3

Financial Service Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	Year 2023/24		2024/25			2025/26	2026/26	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
Capital Expenditure	% Capital Expenditure spent	Between 95 and 100%	95% for the year	Between 95 and 100%	Between 95 and 100%	76%	Between 95 and 100%	Between 95 and 100%	Between 95 and 100%
Pay Creditors in a timely Fashion	% of Creditors paid within 30 days after receiots of Statement and Invoices	90.00%	50% average PM for the year	50% average PM for the year	90%	50% average PM for the year	90	50% average PM for the year	50% average PM for the year
Operational Expenditure	% Operational Expenditure	Between 90% and 100%	96% for the year	Between 90% and 100%	Between 90% and 100%	Between 90% and 100%	Between 90% and 100%	Between 90% and 100%	Between 90% and 100%
Debt Coverage	% of Payment to Debtor	Between 50 and 80%	50% for the year	50% for the year	50% for the year	50% for the year	50% for the year	50% average PM for the year	50% average PM for the year
Percentage of Debt Coverage	% Revenue cover Debts	Between 65% to 75%	50% average PM for the year	50% average PM for the year	50% average PM for the year	50% average PM for the year	50% average PM for the year	50% average PM for the year	50% average PM for the year
Cash Vs Cost Coverage	% Cash received cover cost	Between 65% to 75%	50% average PM for the year	50% average PM for the year	50% average PM for the year	50% average PM for the year	50% average PM for the year	50% average PM for the year	50% average PM for the year
T 3.25.3									

T 3.25.3

Chapter 3

Job Level	Year 2022/23	Year 2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	4	2	1	25%
4 - 6	7	15	7	1	7%
7 - 9	32	49	32	17	35%
10 - 12	17	29	17	12	41%
13 - 15	1	1	1	0	0%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	58	98	59	31	32%
					T 3.25.4

COMMENT ON THE PERFORMANCE OF FINANCIAL SERVICES OVERALL:

Financial Overview

Council adopted a turn-around strategy to turn the financial situation around. Water and Electricity losses remain a serious challenge. The municipality, like most municipalities in the country has faced the usual challenges for the last three years in maintaining positive cash flows and administering successful debtor collections. Therefore:

Implementation of the Payment Incentive Scheme to recover R5,2bn owed to the municipality from consumers and commercial properties including mines.

Financial Recovery Plan (FRP) presented to the Municipality by National Treasury and monitoring on monthly basis.

Audit and automated meter reading technology used on Large Power Users' meters through intervention by COGTA and Kagiso Trust to ensure completeness and accuracy on revenue billed for large power users

Eskom Debt Relief approved by National Treasury.

Awaiting Smart meter installation national programme at National Treasury that was undertaken to improve revenue collection and revenue base protection

Council's average payment levels for the past twelve months were between 50% to 60%.

Chapter 3

The non-payment of services by consumers is a serious situation. Council needs an average payment level of 80% and more to enable them to service its creditors. There are other major matters within the municipality that negatively contribute to cash flow.

Major contributors to fruitless and wasteful expenditure is interest charged by Eskom and Randwater over the past 10 years which the following interventions are required in order to reduce non-compliance:

Fixing of broken and tempered water and electricity meters to reduce water and electricity distribution losses above 50% respectively (NB: Norm being 10% water & 15% electricity). Creating a culture of payment within Merafong City.

Improving revenue enhancement through - Cost Reflective tariffs studies and implementation of tariffs. Refurbishment at WWTW plants and strengthening security to ensure environmental compliance and reduction of vandalism/theft which also requires funding for infrastructure overhaul

T 3.25.7

3.26 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The Section Human Resource Management of Merafong City Local Municipality is focused on providing the best personnel services through fair and transparent processes and procedures. It is also focused on effective recruitment procedures, training and staff empowerment, and providing expert and professional advice to staff and management on Human Resources-related issues.

The Human Resources Management Section maintained its strategy during 2023/2024 to recruit qualified and competent staff to fill vacancies. Structured interviews were conducted together with work sampling-based tests to assist with the selection of the best candidates for appointment.

Verification of qualifications, working record/history, possible fraudulent activities, and criminal record are being done for selected positions through an independent service provider before appointments are made. This prevented the Municipality from appointing staff without the necessary skills, competencies, and qualifications.

T 3.26.1

Chapter 3

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

During the 2023/2024 financial year, the Human Resource Section development and implemented a Recruitment Strategy to respond to the Department needs for staffing of critical positions. Ward committee 255, Councillors 26, Mayoral Committee 3, MPAC Chairperson 1

HIV Volunteers 72, Indigent Clerks 58, Middle Managers, Managers 9 , Executive Managers 4, Finance intern 6 this is a great achievement for this financial year.

The Merafong City Local Municipality implemented the Amended Local Government: Municipal Systems Act 32 of 2000 and Local Government: Regulations on Appointment and Conditions of Employment of Senior Managers (Government Notice 21 in Government Gazette 37245, dated 17 January 2014. Commencement date: 17 January 2014) by appointing the Section 56 Senior Managers permanently. This is an achievement to stabilize the institutions and ensure the provision of quality services to the community.

T 3.26.2

Chapter 3

HUMAN RESOURCES SERVICES POLICY OBJECTIVES TAKEN FROM IDP									
<div>Service Objectives</div> <div>Service Indicators</div> <div>(i)</div>	Outline Service Targets <div>(ii)</div>	Year 2022/23		2023/24			2024/25	2025/26	
		Target	Actual	Target		Actual	Target		
		*Previous Year <div>(iii)</div>	<div>(iv)</div>	*Previous Year <div>(v)</div>	*Current Year <div>(vi)</div>	<div>(vii)</div>	*Current Year <div>(viii)</div>	*Current Year <div>(ix)</div>	*Following Year <div>(x)</div>
Service Objective									
Funded Positions Filled		90%	90%	90%	90%	90%	90%	90%	
Skills Development Targets met		100%	80%	80%	80%	80%	100%	100%	
Equity targets met		100%	100%	100%	100%	100%	100%	100%	
Labour Relations issues lodged versus attended to wint regulatory guidelines		100%	100%	100%	100%	100%	100%	100%	100%
T 3.27.3									

Chapter 3

Employees: Human Resource Services					
Job Level	Year 2022/23	Year 2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	0	1	0%
4-6	4	10	4	6	60%
7-9	3	5	3	2	40%
10-12	1	2	1	1	50%
13-15	2	3	2	1	33%
16 - 18	0	0	0	0	0%
19 - 20	0	0	0	0	0%
Total	11	21	10	11	49%
T3.26.4					

Chapter 3

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

A proper system of performance management is in place for senior managers. The process of concluding evaluation by an evaluation panel in order to facilitate that payment of bonuses was not finalized at the end of the financial year on 30 June 2023.

At local government level, performance management is institutionalised through the legislative requirements and policies of a Municipality. Performance management provides the mechanism with which to measure targets set by the organisation and its Employees to meet its strategic objectives.

The Constitution of South Africa (1996), section 152, dealing with the objectives of local government, paves the way for performance management, with the requirements for an “accountable government”. The democratic values and principles in terms of section 195(1) of the Constitution, are also linked to the concept of Performance Management, with reference to the principles of inter alia

T 3.26.7

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Merafong City Local Municipality Information Communication and Technology is a component of Corporate Support and shared services that plays a crucial role in supporting the municipality's operations and ensuring efficient service delivery. The section reports to the Director Corporate Support services.

Merafong ICT is playing an increasingly strategic role as an enabler of Merafong City local municipality. The primary goals are to ensure that the investment in ICT generate business value and mitigate risks that are associated with ICT. Merafong Information communication and technology support all ICT infrastructure and operations daily to ensure the availability of system for service delivery objectives. The ICT section provide the following,

- The overall planning of ICT architecture machinery involves several critical components to ensure that the ICT infrastructure is efficient, secure, and aligned with the organization's goals.
- ICT operation services are vital for maintaining the smooth functioning of an organization's technology infrastructure. Here's a quick overview of each component which are help desk Support, System administrator, Network administrator and ICT security and Telephone services
- Knowledge management involves the systematic management of information and resources within the municipality to enhance decision-making and service delivery.
- Business intelligence and database administration services are essential for managing and utilizing data effectively within an organization.
- ICT Service Delivery support involves managing ICT contracts and assets to ensure efficient and effective service delivery.

T 3.27.1

Chapter 3

SERVICE STATISTICS FOR ICT SERVICES			
	UPGRADING/INSTALLATION OF NETWORK	INSTALLATION OF COMPUTERS/PRINTERS/SOFTWARE	MAINTANANCE/REPAIR OF HARDWARE/e-MAILS/INTERNET/SERVERS
JULY 2023	35	21	61
AUGUST 2023	25	11	32
SEPTEMBER 2023	20	20	41
OCTOBER 2023	39	14	29
NOVEMBER 2023	23	12	45
DECEMBER 2023	15	09	21
JANUARY 2024	26	12	25
FEBRUARY 2024	12	10	31
MARCH 2023	25	14	48
APRIL 2024	39	22	15
MAY 2024	11	12	60
JUNE 2024	21	31	54
TOTAL	291	188	462

T 3.27.2

Chapter 3

Financial Performance Year 2023/24: ICT Services					
R'000					
Details	Year 2022	Year 2023/24			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1	1	1	1	0%
Expenditure:					
Employees	5 578	5 264	10 601	35 121	85%
Depreciation and amortisation	1	3 150	3 213	2 567	-23%
Operational cost	12 642	12 476			0%
Inventory consumed	4	4	10 601	32 121	100%
Total Operational Expenditure	18 225	20 894	24 415	69 809	70%
Net Operational Expenditure	18 225	20 894	24 415	69 809	70%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					
T 3.27.5					

R' 000					
Capital Projects	Year 2023/24				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All		0	0		
NO CAPITAL PROJECTS DURING THIS FINANCIAL YEAR					
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.26.6					

Chapter 3

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

During the year under review (2023-2024), the ICT section successfully implemented the Master Systems Plan, leading to the establishment of a stable and efficient ICT environment.

ICT services have been consistently delivered by Merafong Technicians, covering a wide range of areas such as email, internet services, network switches, radios, network connectivity, servers, hardware, and telephone maintenance. The internal provision of these services has been instrumental in reducing ICT-related costs, which were previously outsourced to external service providers.

The implementation of the Disaster Recovery Plan (DRP) is another significant accomplishment. The plan is regularly tested twice a year, ensuring the organization's ability to recover swiftly in the event of unforeseen disruptions, minimizing downtime and safeguarding critical data. The section cleared all management findings through OPCA initiatives.

T3.27.7

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

This component includes: risk management and procurement services.

INTRODUCTION TO PROPERTY;RISK MANAGEMENT AND PROCUREMENT SERVICES

The Accounting Officer of Merafong has approved the Risk Management Implementation Plan for the year 2023/24, which is developed on an annual basis. The development of the plan is done considering the Risk management policy, the strategy, available resources, urgency, quick wins and the support provided by the Provincial Treasury.

The plan indicates all activities that will be undertaken in a particular financial year and these activities form part of the Municipal Service Delivery Budget Implementation Plan (SDBIP) and monitored on a monthly/quarterly basis. Strategic, Operational, Project Fraud Risk registers are in place. During the financial year under review all indicators set were achieved 100%.

The Risk Management function of the municipality currently operates with a vacancy rate of 80% an issue which management is currently working to address through a recruitment process plan. The unit is receiving support from provincial Treasury and COGTA to ensure that all performance indicators are met. This support has been consistent and it is appreciated by the municipality.

SUPPLY CHAIN MANAGEMENT (PROCUREMENT SERVICES)

In its pursuit for clean governance, Merafong Local Municipality has reviewed and amended the Supply Chain Management Policy as it does annually to align it with the legislative requirements and National Treasury issued Circulars and was adopted by Council. Furthermore, in line with the Municipal Supply Chain Management (MSCM) regulation 3(c), which requires at least annually review of the

Chapter 3

implementation of the SCM policy, the approved SCM policy was reviewed during the period under review and it required no amendments. The Municipal Supply Chain Management (MSCM) Regulation 7(3) states, each municipality must establish a Supply Chain Management unit to implement its supply chain management policy. Furthermore, MSCM 7(4) states a Supply Chain Management unit must, where possible, operate under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of section 82 of the act. The Supply Chain Management Unit of the Merafong Local Municipality, in terms of the legislation, is responsible for the following prescribed functions:

- Demand management;
- Acquisition management;
- Disposal management;
- Logistics management;
- Performance management; and
- Risk management.

SCM has facilitated the supply chain process, which enables service delivery by the Merafong Local Municipality.

The Municipality adopted and implemented the SCM policy for 2023/24 financial year. In terms of the National Treasury MFMA Circular 62 on the Supply Chain Management: Enhancing compliance and accountability, the Municipality submitted reports on the implementation of Procurement Plan on a quarterly and annual basis to various council committees.

On the 4th November 2022, The Minister of Finance issued an amendment of Preferential Procurement Policy Framework Act, 2000. Gazette no: 47452 on the specific goals replacing BBBEE certificates and related awarding systems as from the 16th of January 2023. The has led to the amendment of the supply chain policy.

The supply chain policy was also amendment based on the supply chain management thresholds as published on the 14 December 2023.

T3.28.1

SERVICE STATISTICS FOR LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

RISK MANAGEMENT

A Risk management implementation plan was approved by the Accounting Officer and was implemented to ensure the embedding of risk management in the day-to-day activities of the municipality. The activities of the plan were fully achieved. The risk identification and assessment were done for Strategic, Operational, Fraud and project risks.

Strategic, Operational Fraud and Project risk registers were developed. Fraud risk assessments were included in a separate process to assess risk exposure in that area. Action plans were then put in place to mitigate these risks, and these are monitored throughout the year and reports are prepared for the Accounting Officer and serve at the Audit Committee for oversight.

Chapter 3

Merafong achieved a score of 2.6 on a scale 1-5 on the Risk Maturity assessment tool used by National Treasury to evaluate the valued add of risk management in the control environment. There are salient issues raised by the survey to needs intervention of management in order to achieve higher levels of maturity. For example the vacancy rate in the Risk management unit makes it difficult for the function to really influence the institution. The unavailability of a dedicated compliance officer who will be responsible for ensuring that compliance issues are dealt with in earnest.

During this financial year a process to review important risk management related frameworks has started. The frameworks reviewed includes the following:

- Anti-Corruption Strategy
- Fraud Prevention Plan
- Risk Management Strategy
- Risk Management Framework and
- Risk Management Policy

The Risk Management Unit is pleased by progress made by the Accounting Officer in filling long standing vacant positions at the Top and Senior Management level which creates stability in the organisation. The Risk Management Unit will continue to work with management in managing and mitigating identified risks.

PROCUREMENT SERVICES

During the 2023/24 financial year period the municipality awarded Ten (10) tenders and Thirty Two (32) RFQ quotations.

T 3.28.2

Chapter 3

Risk Management; and Procurement Services Policy Objectives Taken From IDP									
Service Objectives <i>Service Indicators</i> (i)	Outline Service Targets (ii)	2021/22		2022/23			2023/24	2024/25	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	(viii)	(ix)	(x)
Good governance and public participation									
<i>Ethical administration and good governance</i>	Number of ethics management activities implemented in accordance with plan reported as a percentage	100%	100%	100%	100%	100%	100%	100%	100%
<i>Effective Risk Management through performance management and accountability</i>	Percentage implementation (100) of Enterprise risk management plan	100%	100%	100%	100%	100%	100%	100%	100%
T 3.28.3									

Chapter 3

Employees: Risk Management; and Procurement Services					
Job Level	Year 2012/2013	Year 2023/24			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	2	4	2	2	50%
4 - 6	4	8	2	6	25%
7 - 9	9	9	5	4	55%
10 - 12	-	-	-	-	-
13 - 15					
16 - 18					
19 - 20					
Total	15	21	9	12	57%
					T 3.28.4

COMPONENT K: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

Organisational Scorecard included as Annexure B of this Annual Report

Chapter 4

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

Introduction

The Organisational Development Performance is reported on, based on the strategic objectives and core/support functions of the organisation. Organisational Development within the organisation is linked to the IDP Objectives in conjunction with the Vision and Mission Statement of the municipality. Specific Organisational Development Performance that can be reported include: Organisational Structure, Staff Establishment and Workforce Profile. The Organisational Development strategic and systematic approach aimed at enabling continual improvement and effectiveness at all levels of the organization.

Organisational Structure

The Merafong Organisational Structure is reviewed, and all stakeholders were consulted during the process and comments were received from all department concerned. The structure is nearing for Council approval whereby it must be submitted to COGTA as prescribed by Municipal Staff Regulation. The municipality is currently implementing different organisational structures (2008 & 2014) as some of the business units are not aligned to the strategy and objectives of the institution. Moreover, the organisational structure will contribute to fostering the work environment that is conducive to positive outcome and transformational change.

T 4.0.1

Chapter 4

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	Year 2022/23	Year 2023/24			
	Employee es No.	Approve d Posts No.	Employee es No.	Vacancie s No.	Vacancie s %
Water	79	178	79	178	44%
Waste Water (Sanitation)	79	178	105	178	44%
Electricity	52	121	80	121	42%
Waste Management	91	181	150	181	50%
Housing	10	23	15	23	43%
Waste Water (Stormwater Drainage)	21	65	17	65	68%
Roads	21	65	31	65	44%
Planning	16	24	16	24	67%
Local Economic Development	3	9	6	9	33%
Planning (Strategic & Regulatory)	7	22	5	22	32%
Community & Social Services	3	14	260	14	21%
Security and Safety	62	139	128	139	45%
Sport and Recreation	3	13	5	13	23%
Corporate Policy Offices and Other	25	45	24	45	55%
Totals					44%
<i>Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.</i>					

T 4.1.1

Chapter 4

Vacancy Rate: 2023/2024			
Designations	*Total Approved Posts No.	*Vacancies (Total time that vacancies exist using fulltime equivalents) No.	*Vacancies (as a proportion of total posts in each category) %
Municipal Manager	1	0	0%
CFO	1	1	100%
Other S57 Managers (excluding Finance Posts)	5	4	80%
Other S57 Managers (Finance posts)	0	0	0%
(Traffic Officers)	42	15	36%
Fire fighters	0	0	0%
Senior management: Levels 1-3 (excluding Finance Posts)	30	19	64%
Senior management: Levels 1-3 (Finance posts)	6	4	67%
Highly skilled supervision: levels 4-6 (excluding Finance posts)	151	45	30%
Highly skilled supervision: levels 4-6 (Finance posts)	21	7	33%
Total	255	95	37%
T 4.1.2			

Turnover Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2021/2022	73	42	58%
2022/2023	23	41	18%
2023/2024	4	36	11%
* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year			
T 4.1.3			

Chapter 4

COMMENT ON VACANCIES AND TURNOVER:

The positions of Municipal Manager, Chief Financial Officer, Chief Operating Officer, Executive Director: Economic Development positions were advertised and are filled. 8 Middle Managers positions were also filled.

Recruitment process is in progress, staffing and the filling of positions intends to fill vacant advertised positions with internal staff who meets the minimum requirements in compliance the Municipal Staff regulations.

The turnover is also affected by a separation of general workers who exits due to early retirement, normal retirements, medical disability and deaths and resignations.

T 4.1.4

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipality had 830 permanent employees on its complement on 30 June 2024. Where else the municipality have appointed employees on a fixed term basis with grant funded positions and are hosting intern training them to obtain the necessary qualifications. The total workforce was therefore increased with the interns that are not captured on our payroll. The Municipality performed well in policy development during the past year.

The pace was however not as good as it should be. One of the constraints in policy development is the fact that a policy is developed, referred to LLF (Local Labour Forum) who workshop the policy and thereafter it is referred to the portfolio committee. From the portfolio committee it is on its way to council. Out of the above it's clear that policy formulation from initiation up to adoption and implementation takes too long. Considering that human capital related policies and collective agreements have a life span of normally not longer than three years.

An Employment Equity Plan has been developed and implemented and it is annually reviewed. Annual reports on the implementation of the plan are sent to the Department of Labour as required by law. A variety of policies were developed and implemented as indicated in Section 4.2 on policies.

A critical long outstanding policy is the cascading of performance appraisals to lower levels. Currently only employees appointed in terms of section 57 of the Municipal Systems Act, is evaluated and awarded performance bonuses. This is an unbearable situation, since managers and employees reporting to managers are excluded of an additional rewarding system for good performance.

The municipality still experiences skilled shortages but positions are advertised and being filled. Mainly artisans are difficult to recruit and the absence of a retention policy that includes monetary value to create competitiveness is doing no good in assisting with the staff shortage. The municipality competes

Chapter 4

directly with the private sector in the area. Some of the better benefits provided by the private sector is housing, better training, promotion possibilities and participation in a production bonus system.

Employment Equity

In compliance with the Employment Equity Act, Act 55 of 1998, as amended, Merafong has finalised and developed the 5-year Employment Equity Plan, the new plan will expire on the 30 September 2028. The Employment Equity Plan is reported annually, and statutory reports (EEA2 & EEA4) are submitted to the Department of Labour within the legislated timeframe. Progress made in terms of Employment Equity Plan is submitted monthly to the Local Labour Forum and the Section 80 of the Council.

The Municipal Systems Act, 2000, Section 67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair, efficient, effective, and transparent personnel administration in accordance with the Employment Equity Act 1998.

T 4.2.0

Chapter 4

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Affirmative Action	YES	100	In the EE Plan
2	Attraction and Retention	No	20	Being developed
3	Code of Conduct for employees	YES	100	Part of conditions of Services
4	Delegations, Authorisation & Responsibility	YES	80	
5	Disciplinary Code and Procedures	YES	100	Part of conditions of Services
6	Essential Services	YES	100	Part of conditions of Services
7	Employee Assistance / Wellness	YES	100	
8	Employment Equity	YES	100	In the EE Plan
9	Exit Management	YES	80	Employee Practice
10	Grievance Procedures	YES	100	Part of conditions of Services
11	HIV/Aids	YES	50	To be developed
12	Human Resource and Development	YES	100	Developed
13	Information Technology	YES	100	Developed
14	Job Evaluation	YES	100	Developed
15	Leave	YES	100	Developed
16	Occupational Health and Safety	YES	100	Part of conditions of Services
17	Official Housing	YES	80	in Process
18	Official Journeys	YES	80	in Process
19	Official transport to attend Funerals	YES	100	Bereavance Policy
20	Official Working Hours and Overtime	YES	100	20/03/2013
21	Organisational Rights	YES	100	Part of conditions of Services
22	Payroll Deductions	YES	100	Part of conditions of Services
23	Performance Management and Development	No	50	Part of conditions of Services
24	Recruitment, Selection and Appointments	YES	100	Part of conditions of Services
25	Remuneration Scales and Allowances	YES	100	Part of conditions of Services
26	Resettlement	YES	60	24/11/2014
27	Sexual Harassment	YES	100	Part of conditions of Services
28	Skills Development	YES	100	29/10/2009
29	Smoking	YES	60	7/12/2010
30	Special Skills	YES	60	20/03/2013
31	Work Organisation	YES	80	Part of conditions of Services
32	Uniforms and Protective Clothing	YES	100	29/05/2019
33	Cellphone Allowance	YES	100	30/09/2014
34	Fleet Management	YES	100	30/09/2014
Use name of local policies if different from above and at any other HR policies not listed.				T 4.2.1

Chapter 4

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

LLF committee on policy development has been established to start with the policy review process in line with the COGTA policy manual template. Work have been done on HR 10 policies that will be served at LLF for comments before going to Section 80 Committee, Mayoral Committee and Council for approval. Additionally policy development is an ongoing process and Merafong is reviewing policies to ensure they remain relevant and effective.

T 4.2.1.1

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	26	11	42%	5	24820
Temporary total disablement	60	3	5%	12	53700
Permanent disablement	0	0	0%	0	0
Fatal	0	0	0%	0	0
Total	86	14	47%	17	78520

T 4.3.1

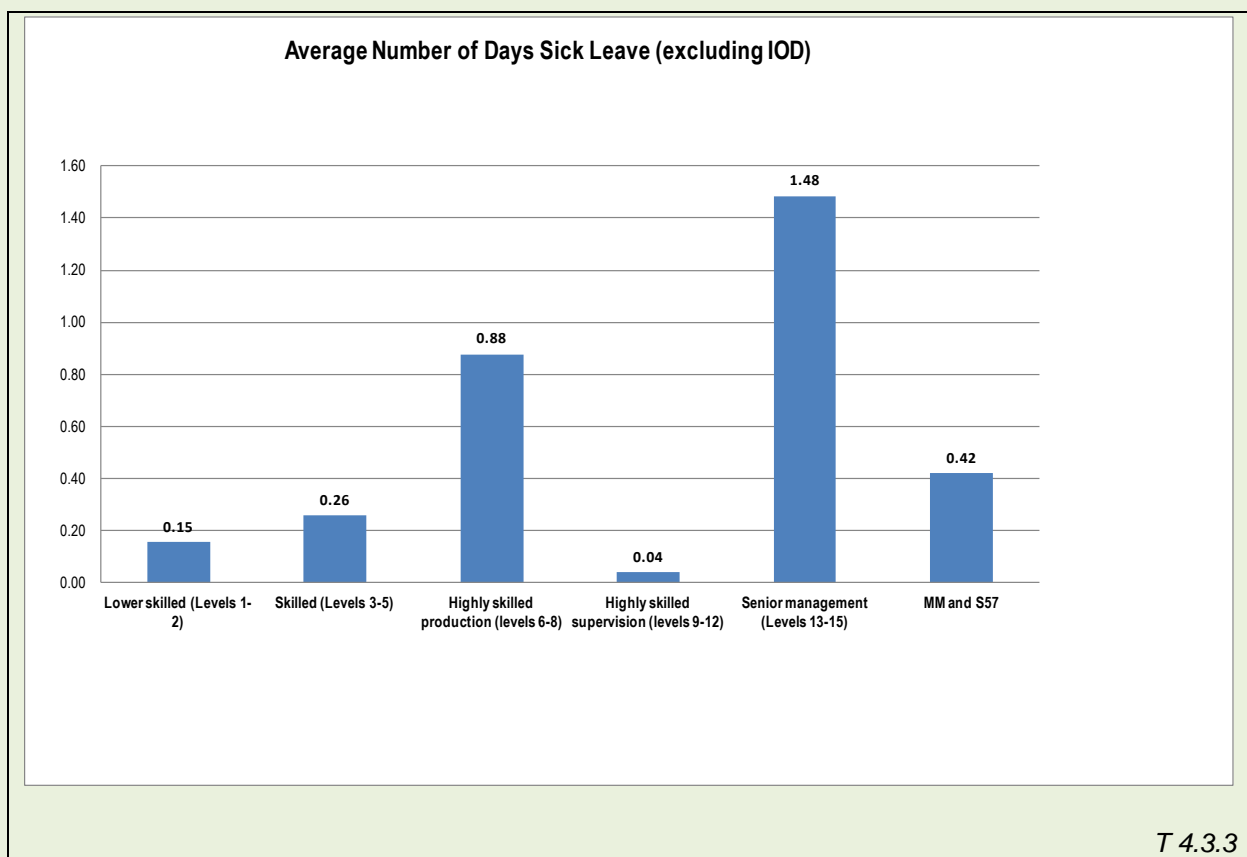
Chapter 4

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	24	90%	10	30	0.15	30
Skilled (Levels 3-5)	40			22	0.26	
Highly skilled production (levels 6-8)	136			58	0.88	
Highly skilled supervision (levels 9-12)	6	95%	2	26	0.04	31
Senior management (Levels 13-15)	230			11	1.48	
MM and S57	65			8	0.42	
Total	501	93%	12	155	3.23	61

* - Number of employees in post at the beginning of the year

*Average is calculated by taking sick leave in column 2 divided by total employees in column 5

T 4.3.2



Chapter 4

COMMENT ON INJURY AND SICK LEAVE:

Special sick leave is taken in the case of injury on duty. An Occupational Health and Safety (OHS) Policy is in place and displayed at all workplaces. All departments are required to follow this policy. Regular OHS inspections and safety audits are carried out during the year to identify any new health and safety risks. Departments were advised in terms of handling OHS matters. Training was done on a regular basis (e.g. first aid and safety representative).

Accidents and injuries on duty were investigated in terms of relevant legislation. Sick leave was monitored by HODs, and proper record was kept of all leave and sick leave taken. Where necessary, officials may be sent to medical practitioners appointed by Council for second opinions in cases of extended sick leave.

T 4.3.4

Number and period of suspensions				
Position	Nature of alleged misconduct	Date of suspension	Details of disciplinary action taken or status of case and reason why not finalized	Date finalised
General Worker	Unauthorised use of municipal vehicle	10 July 2023	Awaiting hearing date	Pending
General Worker	Theft	11 July 2023	Employee resigned prior finalisation of the matter, and the resignation was accepted as such.	Finalised
General Worker	Theft	11 July 20203	Employee was found guilty of misconduct and consequently dismissed from the employ of the municipality on the 21 st December 2023.	Finalised
General Worker	Gross dishonesty	06 November 2023	Awaiting hearing date	Suspended
Manager Expenditure	Irregular authorisation of salaries and failure to execute lawful instructions	20 December 2023	Awaiting chairpersons ruling, the matter has been finalised.	28 June 2024
Manager Expenditure	Gross negligence	22 December 20203	Awaiting hearing date	Pending
Manager Spatial planning and development	Irregular and unauthorized	09 January 2024	Awaiting the chairpersons ruling, the	28 June 2024

Chapter 4

	issuing of section 53 certificates.		matter has been finalised.	
Clerk grade 2 Community services(Waste management)	Use of municipal vehicle for private reasons	09 January 2024	The matter is ongoing, The respondent has request further particulars of claim. Therefore the matter has been postponed <i>sine die</i>	Pending
Manager Electrical Engineering	Procurement of a service provider without following internal processes and SCM Policies.	30 January 2024	The employee has been on sick leave, therefore; The matter is ongoing.	Pending
6 Electricians	Failing to carry out lawful and reasonable instruction to return to work (unlawful strike)	29 January 2024	Precautionary suspension has been extended	Pending
Manager Information Communication & technology	Gross negligence	22 February 2024	Respondent has requested supplementary documents, the employer will respond on the 15 th of August 2024, the chairperson will give ruling on the 29 th of August 2024 the hearing will reconvene on the 2 nd & 3 rd of September 2024.	Pending
General worker	Gross misconduct	7 November 2023	The matter has been finalised ,the employee was served with a final written warning.	28 May 2024
T4.3.5				

Chapter 4

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

Two cases of financial misconduct occurred in the previous financial year, and these are:

Irregular appointment of a service provider without following SCM processes:

An employee was suspended from work pending the finalisation of investigation and eventually disciplinary hearing. The matter is partly heard following the resignation of the employer representative, prosecutor from the employ of the municipality.

Irregular authorisation of salaries and failure to execute lawful instruction

Independent chairperson of the hearing was appointed from TA Dipudi attorneys and the employer representative was appointed from De Swartd Myambo Hlahla attorneys, and the matter was partly heard and finalised by mutual agreement. Awaiting ruling from the chairperson.

T 4.3.7

4.4 PERFORMANCE REWARDS

Performance Rewards By Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 2023/24 R' 000	Proportion of beneficiaries within group %
Lower skilled (Levels 10-15)	Female				
	Male				
Skilled (Levels 9-10)	Female				
	Male				
Highly skilled production (levels 6-8)	Female				
	Male	NO PERFORMANCE REWARDS IN THE YEAR			
Highly skilled supervision (levels 4-5)	Female				
	Male				
Senior management (Levels 1)	Female				
	Male				
MM and S57	Female				
	Male				
Total					
Has the statutory municipal calculator been used as part of the evaluation process ?					N/A
T 4.4.1					

T 4.4.1

Chapter 4

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

Merafong City Local Municipality continues the journey and commitment to capacitate its Officials, Councillors and Unemployed Youth to be effective, efficient and accountable.

WORKPLACE SKILLS PLAN (WSP) & ANNUAL TRAINING REPORT (ATR) 2024/2025

Merafong City Local Municipality was able to compile and submit Workplace Skills Plan (WSP) and Annual Training Report (ATR) 2024 / 2025 on the submission date of the 30th April 2024.

TRAINING COMMITTEE

Training Committee is functional and agreed to sit twice in a quarter and special meetings will be called as and when the need arises to discuss and conclude on pressing issues.

Members of the committee has been appointed according to COGTA Municipal Staff Regulation.

DISCRETIONARY GRANTS

Municipality has been able to develop its workforce through partnerships with funders from different sectors. The partnerships have been created with the following institutions: -

- COGTA
- SALGA
- Treasury
- MISA
- Local Government SETA
- Construction CETA SETA
- PSETA
- W&R SETA
- ETDP SETA
- WESTCOL
- South-West College

The aim is to create more partnerships to increase the scope of funders to benefit the municipality. Merafong were able to train employees under the following programmes in Financial Year 2023/2024: -

- Skills Development Programmes
- Learnerships
- Apprenticeship
- Internships (Placement of WILL Student)
- Internships

Chapter 4

MANDATORY GRANTS - STUDY ASSISTANCE

Municipality has also been able to advertise and award Study Assistance to municipal employees for 2022/2023 for and for 2023/2024 for employees. Study Assistance has been implemented sourcing funding from Mandatory grants received from LGSETA from 2022/2023 and 2023/2024 for different studies.

The municipality is intending to open applications for Study Assistance from hence forth for every beginning of each semester to give employees to upgrade their qualifications and increase their knowledge.

DECLARATION OF INTEND

Municipality is intending to apply for more discretionary grants for different programmes on up coming open windows of different SETAs for financial year 2024/2025.

PANEL OF TRAINING PROVIDERS

The Municipality is aiming to advertise for extension of Panel of Training Providers to augment on the three that is appointed to make them readily available as and when needed.

CHALLENGES

- 1% of our Annual Gross Salary is still a challenge as we are unable to utilize because municipality is unable to collect enough revenue.
- Service SETA allocated three (3) Learnership Programmes that amounted to R4 550 000.00 for 100 unemployed youth.
- The Municipality was unable to submit the required documents in time (e.g. tax clearance certificate, COIDA Letter of Good Standing, Safety Compliance Certificate) and qualified Mentors in place.
- Approval of Structure (Municipality utilizing more than one structure at a time)
- Capacity is the challenge just we sometimes assisted by interns when we have allocated them.
- Resources also remains a challenge.

T 4.5.0

Chapter 4

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 2023/24	Number of skilled employees required and actual as at 30 June 2024 Year 2023/24											
			2023/2024						2023/2024					
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
		No.	Actual: End of Year 2022/23	Actual: End of Year 2023/24	Year 2023/24 Target	Actual: End of Year 2022/23	Actual: End of Year 2023/24	Year 2023/24 Target	Actual: End of Year 2022/23	Actual: End of Year 2023/24	Year 2023/24 Target	Actual: End of Year 2022/23	Actual: End of Year 2023/24	Year 2023/24 Target
MM and s57	Female		0	0	0	0	0	0	0	0	0	0	0	0
	Male		0	0	0	0	0	0	0	0	0	0	0	0
Councillors, senior officials and managers	Female		0	0	0	0	0	0	0	3	3	0	3	3
	Male		0	0	0	0	0	0	0	4	4	0	4	4
Technicians and associate professionals*	Female		0	0	0	0	6	6	0	0	0	0	6	6
	Male		0	0	0	0	45	45	0	0	0	0	45	45
Professionals	Female		0	0	0	0	0	0	0	22	17	0	22	17
	Male		0	0	0	2	2	2	0	0	0	0	2	2
Sub total	Female			0	0	0	6	6	0	25	20	0	31	26
	Male		0	0	0	0	47	47	0	4	4	0	51	51
Total		0	0	0	0	2	106	106	0	58	48	0	164	154
*Registered with professional Associate Body e.g CA (SA)													T 4.5.1	

Chapter 4

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	0	1	1	1	1
<i>Chief financial officer</i>	1	0	1	1	1	1
<i>Senior managers</i>	3	0	3	3	0	3
<i>Any other financial officials</i>	3	0	3	3	0	3
Supply Chain Management Officials						
<i>Heads of supply chain management units</i>	1	0	1	1	0	1
<i>Supply chain management senior managers</i>	1	0	1	1	0	1
TOTAL	10	0	10	10	2	10
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

T 4.5.2

Chapter 4

Skills Development Expenditure										
R'000										
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female						10	20	10	20
	Male						20	25	20	25
Legislators, senior officials and managers	Female									
	Male									
Professionals	Female									
	Male									
Technicians and associate professionals	Female									
	Male									
Clerks	Female									
	Male									
Service and sales workers	Female									
	Male									
Plant and machine operators and assemblers	Female									
	Male									
Elementary occupations	Female									
	Male									
Sub total	Female						10	20	10	20
	Male						20	25	20	25
Total		0	0	0	0	0	30	45	30	45
% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									%	*R
T4.5.3										

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:

ADEQUACY OF TRAINING PLANS AND THE EFFECTIVENESS OF IMPLEMENTATION AT OUR MUNICIPALITY

Beginning of each financial year we draw a Training Implementation Plan with the budget we are having to train. The Municipality it's trying its utmost best to always implement the Training Plan 100% not unless there is something beyond control.

EVALUATING TRAININGS

Now we only evaluate the impact of training by engaging with an official and supervisors/ managers of employee on the feedback sometime after training.

Chapter 4

EXPENDITURE BUDGET

The Municipality increase the budget annually with certain percentage every financial year and the budget has been reviewed half yearly.

MFMA COMPETENCY REGULATION

Merafong City Local Municipality is not compliant with Financial Competency Regulations.

The MFMP Training was planned but there was no Training scheduled in 2023/2024 because of non-availability of budget.

The newly appointed accounting officer Municipal Manager is the only person who fully comply with the regulation.

Some of the Senior Managers and Middle Managers have few of the unit standard needed for compliance in their appointed positions and others have not started with training at all.

The Treasury Finance Interns that were appointed have not yet started with Municipal Finance Management Programme Training.

WAY FORWARD

- Municipality have budgeted for MFMP Training to train Treasury Interns and Officials of the municipality on the unit standard needed to close the gaps and compliance with Regulation.
- Municipality will advertise for Extension of Panel of Training Providers to assist with trainings.
- Merafong has also signed the Service Level Agreement with University of Pretoria Enterprise to assist other matters of training.
- The MFMP Training will be scheduled for 2024/2025 Financial Year to train all the affected employees.

T 4.5.4

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

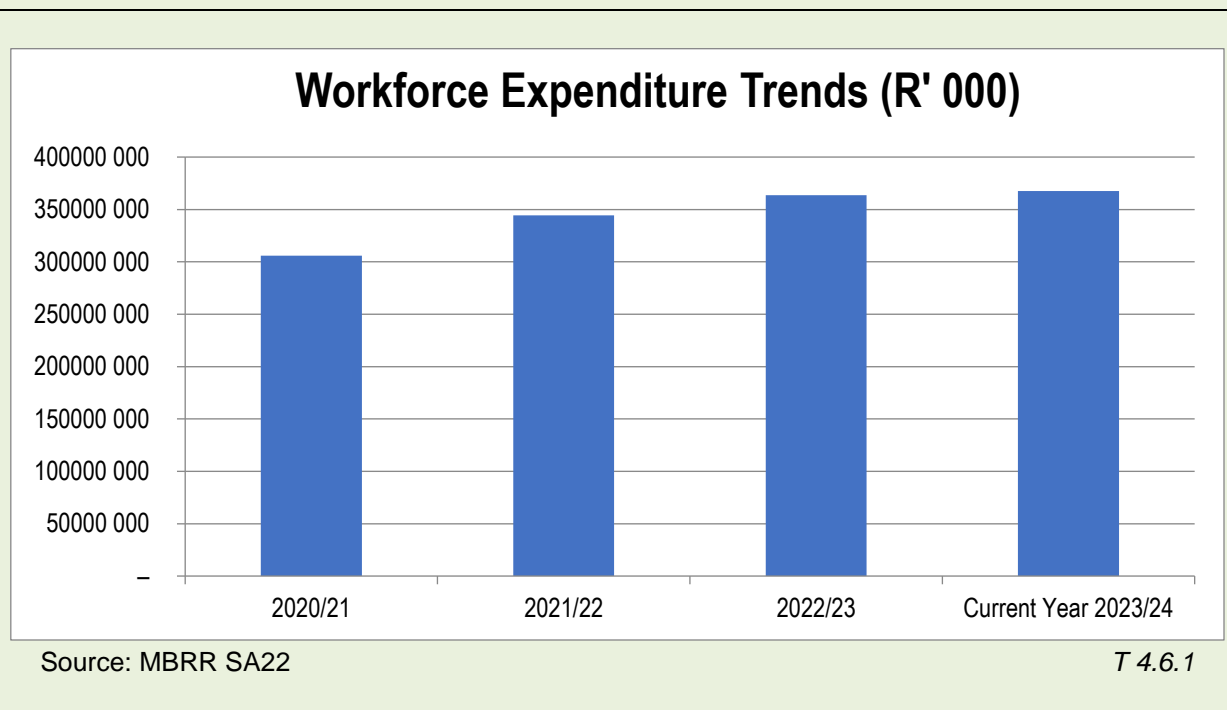
INTRODUCTION TO WORKFORCE EXPENDITURE

Managing workforce expenditure effectively allows organisation to offer competitive salaries, benefits and training opportunities which help attract, retain, and engage top talent. Merafong municipality regularly review staffing levels, skills sets and resource allocation to ensure they align with business needs and objectives. Merafong is ensuring that workforce expenditure for appointment costs is within acceptable limits. Additionally Merafong ensure that the right skill and personnel to deliver services efficiently are appointed.

T 4.6.0

Chapter 4

4.6 EMPLOYEE EXPENDITURE



COMMENT ON WORKFORCE EXPENDITURE:

22/23 financial year no appointment were made due to financial constrain and 23/24 the council have appointed Municipal Manager, Section 57 and Managers. The appointments were within the acceptable limits.

T 4.6.1.1

Chapter 4

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	NONE
	Male	
Skilled (Levels 3-5)	Female	
	Male	
Highly skilled production (Levels 6-8)	Female	
	Male	
Highly skilled supervision (Levels 9-12)	Female	
	Male	
Senior management (Levels 13-16)	Female	
	Male	
MM and S 57	Female	
	Male	
Total		0
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).		T 4.6.2

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
				T 4.6.3

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
NONE				
				T 4.6.4

Chapter 4

DISCLOSURES OF FINANCIAL INTERESTS

During the period of 23/24 officials and councillors were requested to submit their disclosure of financial interest as regulated by Municipal Staff Regulation 2021. Additionally, when appointments were made all new appointees were requested to complete their Disclosure of financial Interest.

T 4.6.6

Chapter 5

CHAPTER 5 – FINANCIAL PERFORMANCE

INTRODUCTION

The purpose of the Statement of Financial Performance is to give an account of the results of Merafong City operations. These transactions result from the operating budget. The result is expressed as being either a surplus or a deficit (being the difference between Revenue and Expenditure). A surplus is indicative of Revenue being more than Expenditure and a deficit of Expenditure being more than Revenue. The purpose of the Statement of Financial Position is to give an account of the assets and liabilities at the end of the financial year. Net assets are shown, which are the difference between the assets and the liabilities. The cash flow statement shows the net cash result.

Technically, the statement starts with the accounting surplus as per the Statement of Financial Performance which gets adjusted for all non-cash transactions. All other cash transactions not resulting from the Statement of Financial Performance are recorded. These items can be referenced back to both the capital budget as well as the items reported as part of the quarterly Section 11-withdrawals reports, submitted to Council.

T 5.0.1

Chapter 5

COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

INTRODUCTION TO FINANCIAL STATEMENTS

There are three main categories: Net cash resulting from operating activities – this section shows the result of the operations of Merafong City in cash terms. It includes the rendering of municipal services, purchasing of inventory kept in stores, debtors and creditors transactions and interest paid and received. Net cash resulting from investing activities – this section shows the result from amounts invested (either assets through the capital budget or as cash investments) as well as investments withdrawn. Net cash resulting from financing activities – this section shows the result from financing activities, being mainly external loans taken up or redeemed.

A healthy financial situation is one where Merafong City has a net cash surplus resulting from operations as main source of revenue rather than from financing activities. A second important measure is to look for a correlation between cash generated from financing activities and investing activities which shows that funds borrowed, were invested in capital infrastructure, and not used for operations. A very serious situation would be where there is a net cash deficit from operations, no or limited cash invested, but cash received from financing activities. That would be indicative of a municipality utilising borrowing to fund operations instead of infrastructure assets.

T 5.1.0

Chapter 5

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Chapter 5

Description R thousands	2023/24										
	Original Budget	Budget Adjustments (i.to. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.to. s31 of the MFMA)	Virement (i.to. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
	1	2	3	4	5	6	7	8	9	10	11
Financial Performance											
Property rates	620 246	695 470	1 315 717			1 315 717	1 315 717		–	100%	212%
Service charges	955 783	941 695	1 897 478			1 897 478	1 897 478		–	100%	199%
Investment revenue	8 140	14 846	22 987			22 987	22 987		–	100%	282%
Transfers recognised - operational	326 171	326 170	652 341			652 341	652 341		–	100%	200%
Other own revenue	338 567	579 905	918 473			918 473	918 473		–	100%	271%
	2 248 908	2 558 087	4 806 995	–	–	4 806 995		–	–		
Total Revenue (excluding capital transfers and contributions)											
Employee costs	401 338	424 701	826 039			826 039	826 039	370 478	–	100%	206%
Remuneration of councillors	27 764	27 420	55 183			55 183	55 183	25 460	–	100%	199%
Debt impairment						928 229	928 229		–	100%	819%
Depreciation & asset impairment	113 324	814 904	928 229			201 381	201 381	115	–	100%	165%
Finance charges	122 131	79 249	201 381			1 566 967	1 566 967	139 141	–	100%	236%
Materials and bulk purchases	664 432	902 536	1 566 967			2 080	2 080	560 516	–	100%	200%
Transfers and grants	1 040	1 040	2 080			1 216 240	1 216 240	522	–	100%	132%
Other expenditure	918 879	297 361	1 216 240			4 796 119	4 796 119	278 690	–	100%	213%
Total Expenditure	2 248 908	2 547 211	4 796 119	–	–	9 592 239	9 592 239	1 374 922	–		
Surplus/(Deficit)	(0)	10 876	10 876	–	–	(4 785 243)	(9 592 239)	(1 374 922)	–	–	
Transfers recognised - capital	192 936		192 936			192 936	192 936		–	100%	100%
Contributions recognised - capital & contributed assets			–			–	–		–		
Surplus/(Deficit) after capital transfers & contributions	192 936	10 876	203 812	–	–	(4 592 308)	(9 399 303)	(1 374 922)	–		
Share of surplus/ (deficit) of associate			–			–	–		–		
Surplus/(Deficit) for the year	192 936	10 876	203 812	–	–	(4 592 308)	(9 399 303)	(1 374 922)	–	–	
Capital expenditure & funds sources											
Capital expenditure											
Transfers recognised - capital	220 037	223 493	443 530			443 530					202%
Public contributions & donations						–					
Borrowing			–			–					
Internally generated funds			–			–					
Total sources of capital funds	220 037	223 493	443 530	–		443 530	443 530	–		–	202%
Cash flows											
Net cash from (used) operating	10 929	(246 620)				–			–	#DIV/0!	0%
Net cash from (used) investing		(257 017)	(257 017)			(257 017)			(257 017)		
Net cash from (used) financing			–			–			–	#DIV/0!	#DIV/0!
Cash/cash equivalents at the year end	10 929	(503 637)	(257 017)	–	–	(257 017)	–	–	(257 017)	0%	0%

T 5.1.1

Chapter 5

Financial Performance of Operational Services						
Description	2022/23	2023/24		2023/24 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustment s Budget
Operating Cost						
Water	479.874	808.018			#DIV/0!	#DIV/0!
Waste Water (Sanitation)	12.588	194.735			#DIV/0!	#DIV/0!
Electricity	534.786	683.471			#DIV/0!	#DIV/0!
Waste Management	44.686	49.594			#DIV/0!	#DIV/0!
Housing	6.064	5.501		6.064	9.28%	100.00%
Component A: sub-total	1 078	1 741	–	6	-28615.68%	100.00%
Waste Water (Stormwater Drainage)					#DIV/0!	#DIV/0!
Roads	–	1 316.765			#DIV/0!	#DIV/0!
Transport		–	–	–		
Component B: sub-total	–	1 316.765	–	–	#DIV/0!	#DIV/0!
Planning/Economic Development	–	6.721			#DIV/0!	#DIV/0!
Local Economic Development	–	2.433			#DIV/0!	#DIV/0!
Component B: sub-total	–	9	–	–		
Planning (Strategic & Regulatory)						
Local Economic Development						
Component C: sub-total		–	–	–		
Community & Social Services	192.227			192.227	100.00%	100.00%
Enviromental Protection		–	–			
Health		–	–			
Security and Safety	28.362	29.945		28.362	(0.000)	100.00%
Sport and Recreation					#DIV/0!	#DIV/0!
Corporate Policy Offices and Other		–	–			
Component D: sub-total	221	30	–	221	#DIV/0!	#DIV/0!
Total Expenditure	1 299	3 097	–	227	-1266.49%	100.00%
In this table operational income is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T 5.1.2

Chapter 5

COMMENT ON FINANCIAL PERFORMANCE:

Revenue for the year was recorded at average 50% of the Adjustments Budget. The growth in revenue over the previous year was averages 6% in in line with inflation adjustment. Operating expenditure increased marginally in line with inflation projections over the previous year. The year closed with a surplus of R161 m which is a significant increase from R142 m in the previous year as recorded in the Annual Financial Statement.

As the municipality collection rate was at average 50% and there is a serious need to implement the revenue enhancement strategy in order to maximise collection. The municipality has been diagnosed to have significant challenges in revenue collection and there are significant amounts of money owed to the municipality by customers especially from the townships.

The amount has accumulated over a period of time due to lack of effective controls in revenue collection. Since the municipality cannot cut electricity in townships in order to force customers to pay for other services like property rates, as this service is supplied by Eskom, the municipality will continue to make use of Debt Collectors as part of implementing stringent credit control policies. With the implementation of revenue enhancement strategy and also exercising very stringent credit control policies.

It has unfortunately become a reality that the rate of unemployment contributes to a low level of collecting debtors which are presently at 50 percent. This is due to increasing unemployment figures, most of the community members cannot afford to pay for services. However, one has to consider the fact that there has already been provided for the less fortunate consumers by means of the indigent policy and the provision of free basic services (6kl free water and 50Kwh free electricity in the 2024/2025 financial year) to indigent consumers.

Strict credit control will have to be implemented and maintained to achieve a payment percentage of 60% or more. Consumers who can afford to pay for services will be pursued to service their municipal accounts.

T5.1.3

Chapter 5

5.2 GRANTS

COMMENT ON OPERATING TRANSFERS AND GRANTS:

As Part of the DORA Act, the Municipality receives the Conditional and Unconditional Grants, these Grants are ring fenced for a specific division and purpose and they cannot be used for Operational Expenditure incurred

MIG: R77 320 000

WSIG: R33 342 000

INEP: R17 768 000

HSDG: R42 000 000

A rollover to the amount of R20 242 884 was approved for the HSDG

T 5.2.2

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant 2019/20	Actual Grant 2020/21	2021/22 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
Parastatals						
A - "Project 1"	NONE	NONE	NONE	NONE	NONE	
A - "Project 2"	NONE	NONE	NONE	NONE	NONE	
B - "Project 1"	NONE	NONE	NONE	NONE	NONE	
B - "Project 2"	NONE	NONE	NONE	NONE	NONE	
Foreign Governments/Development Aid Agencies						
A - "Project 1"	NONE	NONE	NONE	NONE	NONE	
A - "Project 2"	NONE	NONE	NONE	NONE	NONE	
B - "Project 1"	NONE	NONE	NONE	NONE	NONE	
B - "Project 2"	NONE	NONE	NONE	NONE	NONE	
Private Sector / Organisations						
A - "Project 1"	NONE	NONE	NONE	NONE	NONE	
A - "Project 2"	NONE	NONE	NONE	NONE	NONE	
B - "Project 1"	NONE	NONE	NONE	NONE	NONE	
B - "Project 2"	NONE	NONE	NONE	NONE	NONE	
Provide a comprehensive response to this schedule						

T 5.2.3

Chapter 5

COMMENT ON CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

No conditional grants and grants received from other additional source.

T 5.2.4

5.3 ASSET MANAGEMENT

INTRODUCTION TO ASSET MANAGEMENT

Asset management is crucial for the sustainability of the Municipality as it is not possible to render any services without properly maintained assets. From the capital budget, it can be noted that the objective is to upgrade and maintain assets on a continuous basis. The condition of the assets is still such that a good level of services is rendered, but this is not a sustainable trend.

Increased investment in infrastructure, particularly sanitation infrastructure will be required in the next few years. The repairs and maintenance budget of the municipality is also not in line with the National Treasury norm of 8% of the asset value.

The protection of the municipality's asset base is regarded as a high priority, as it is both the base of the service delivery mandate as well as the revenue base.

The Asset Management Unit consists of 4 officials, as per the approved organogram. Officials are well capacitated to perform their tasks and are receiving training on an ongoing basis. With the growth in assets over the years, the department needs to be further capacitated

T 5.3.1

Chapter 5

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED YEAR 2023/24				
Asset 1				
Name	P765			
Description	2x20 MVA Frikkie Substation 44/11 (Change control to Plover)			
Asset Type	Substation			
Key Staff Involved	Contractor			
Staff Responsibilities				
Asset Value	2019/20	2020/21	2021/22	2023/24
				25 000 000.00
Capital Implications	Government Funding			
Future Purpose of Asset	Supply Electricity			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy			
Asset 2				
Name	P748			
Description	Khutsong South Ext 5 & 6 Internal Roads & Stormwater			
Asset Type	Road			
Key Staff Involved	Contractor			
Staff Responsibilities				
Asset Value	2019/20	2020/21	2021/22	2023/24
				20 426 946.00
Capital Implications	Government Funding			
Future Purpose of Asset	Roads and Stormwater			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy			
Asset 3				
Name	P766			
Description	Khutsong Electrcity			
Asset Type	Contractor			
Key Staff Involved				
Staff Responsibilities				
Asset Value	2019/20	2020/21	2021/22	2023/24
				20 000 000.00
Capital Implications	Government Funding			
Future Purpose of Asset	Supply residents with Electricity			
Describe Key Issues				
Policies in Place to Manage Asset	Asset Management Policy			
T 5.3.2				

Chapter 5

COMMENT ON ASSET MANAGEMENT:

Asset Management is done in line with the requirements of GRAP 17 and best practices as per National Treasury Asset Management Guidelines. Various assets were impaired, as required by GRAP, based on the asset condition assessments performed. The increased maintenance spending in future years should lead to reduced asset impairments in the coming years.

T 5.3.3

Repair and Maintenance Expenditure: Year 2023/24				
R' 000				
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	125	129	128	-2%
T 5.3.4				

COMMENT ON REPAIR AND MAINTENANCE EXPENDITURE:

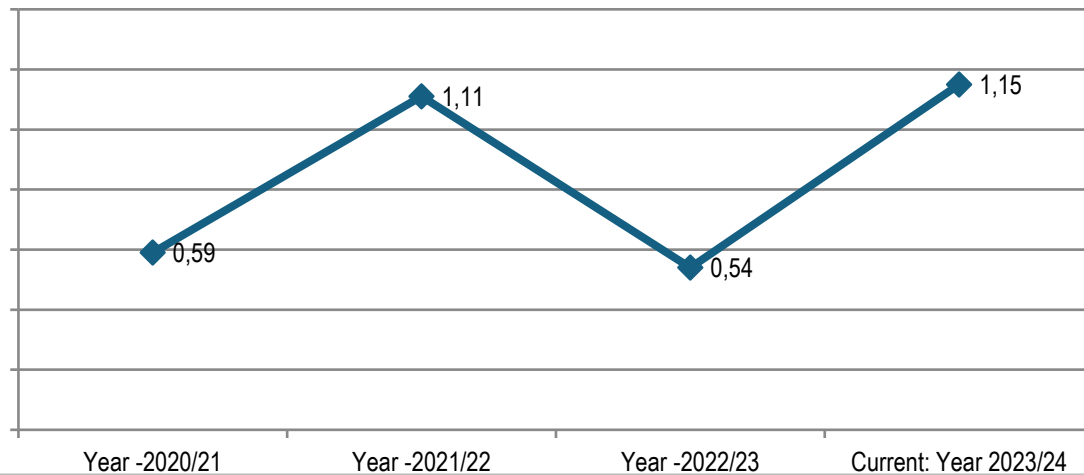
The repairs and maintenance budget of Merafong City is lower than the National Treasury norm of 8% of the asset value. This is being addressed through higher than inflation tariff increases with corresponding increases in the maintenance cost. The protection of the municipality's asset base is regarded as a high priority, as it is both the base of the service delivery mandate, as well as the revenue base.

T 5.3.4.1

Chapter 5

5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS

Liquidity Ratio



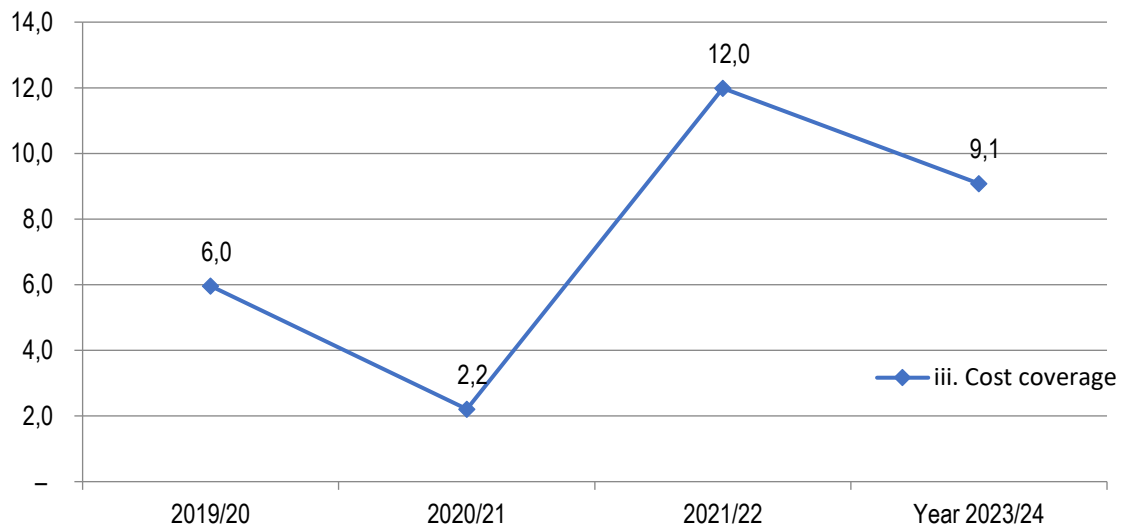
Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better.

Data used from MBRR SA8

T 5.4.1

Chapter 5

Cost Coverage



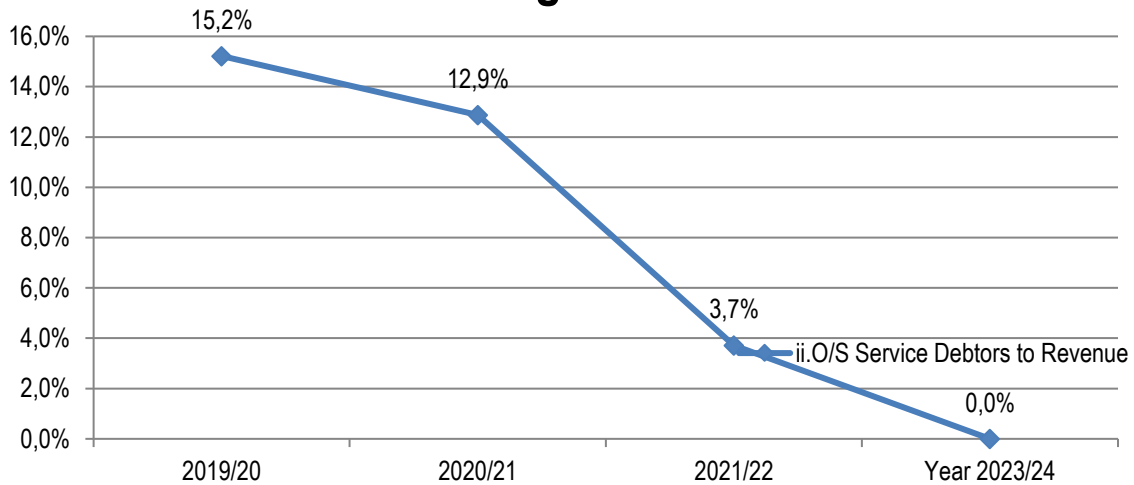
Cost Coverage– It explains how many months expenditure can be covered by the cash and other liquid assets available to the Municipality excluding utilisation of grants and is calculated

Data used from MBRR SA8

T 5.4.2

Chapter 5

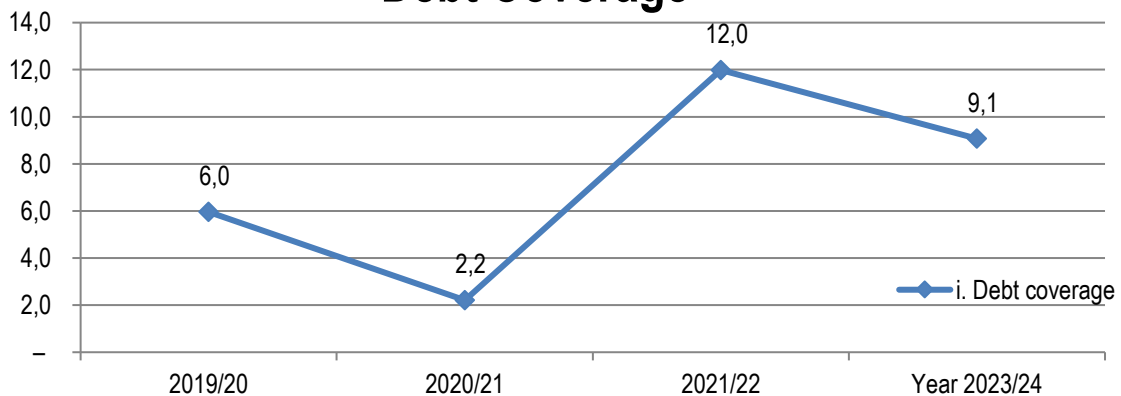
Total Outstanding Service Debtors



Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

T 5.4.3

Debt Coverage

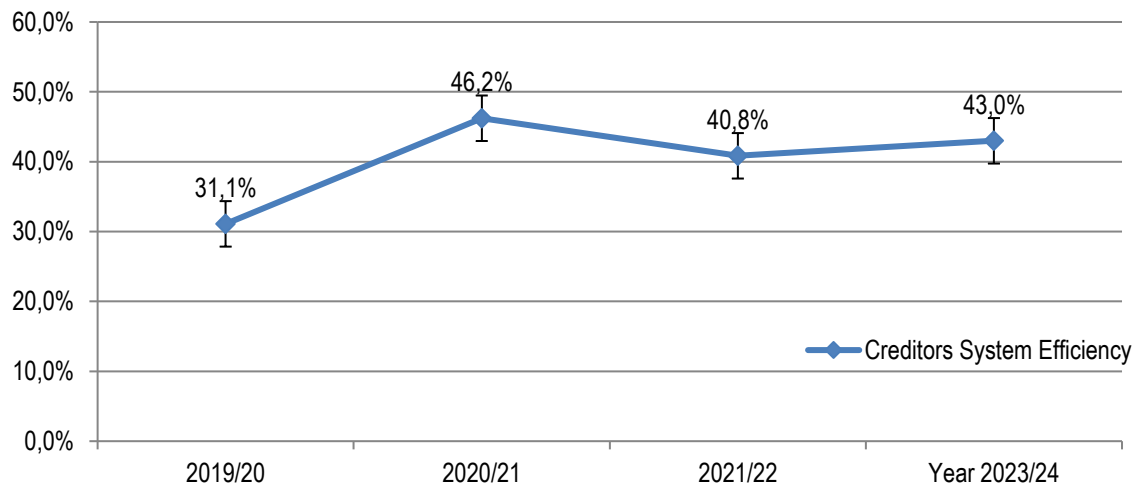


Debt Coverage– The number of times debt payments can be accommodated within Operating revenue (excluding grants) . This in turn represents the ease with which debt payments can be accommodated by the municipality

T 5.4.4

Chapter 5

Creditors System Efficiency



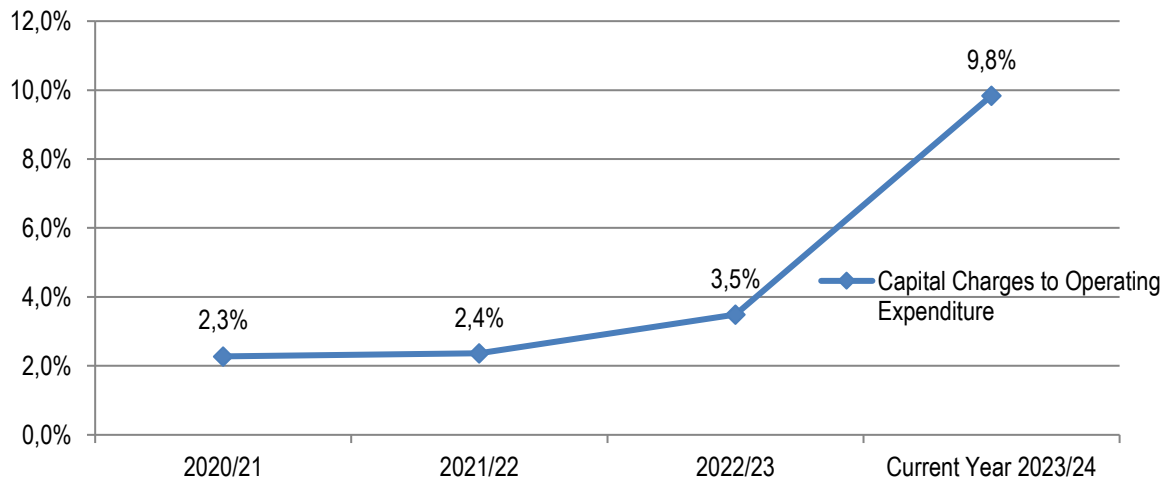
Creditor System Efficiency – The proportion of creditors paid within terms (i.e. 30 days). This ratio is calculated by outstanding trade creditors divided by credit purchases

Data used from MBRR SA8

T 5.4.5

Chapter 5

Capital Charges to Operating Expenditure



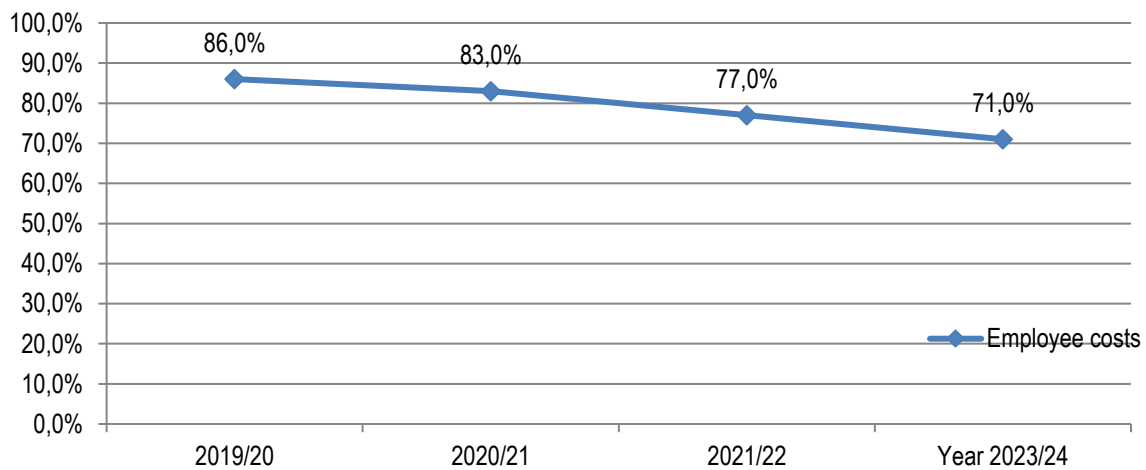
Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

T 5.4.6

Chapter 5

Employee Costs

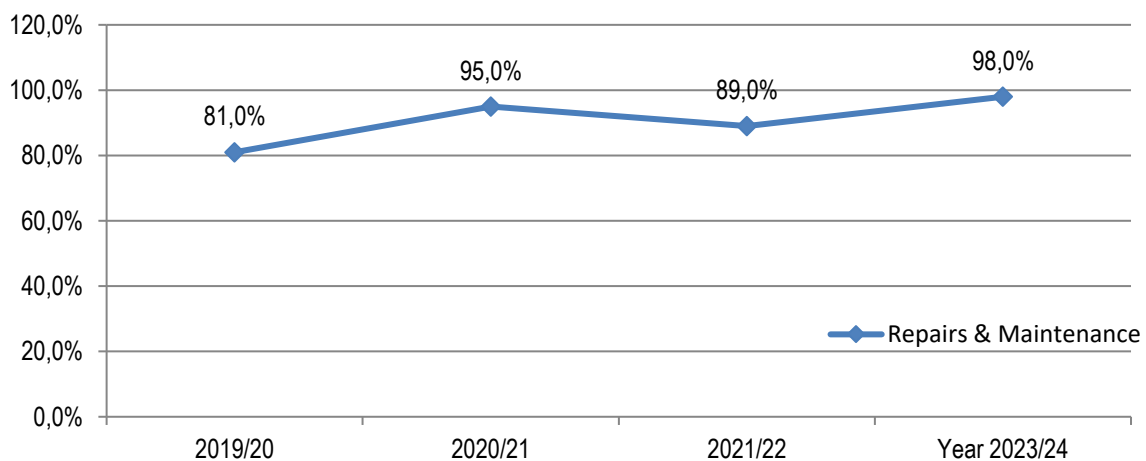


Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

T 5.4.7

Repairs & Maintenance



Repairs and Maintenance – This represents the proportion of operating expenditure spent and is calculated by dividing the total repairs and maintenance.

Data used from MBRR SA8

T 5.4.8

Chapter 5

COMMENT ON FINANCIAL RATIOS:

The liquidity ratio is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1.

This needs to be considered a pertinent risk for the municipality as any under collection of revenue will translate into serious financial challenges for the City. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.

Liquidity Ratio – Measures the municipality's ability to pay its bills and is calculated by dividing the monetary assets (due within one year) by the municipality's current liabilities. A higher ratio is better

T 5.4.9

COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

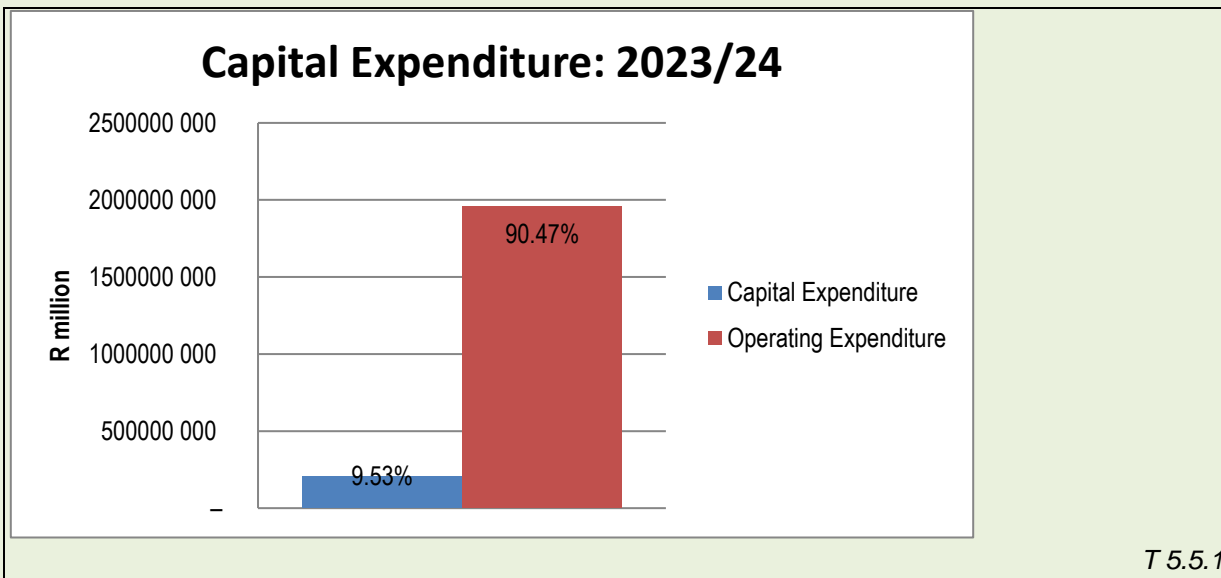
INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

The municipality achieved an 62.20% spending level on the capital budget. The departments are now implementing their projects in a most cost-effective manner as opposed to spending just for the sake of chasing a 100% spending level. Projects not completed at financial year-end have been carried forward to the 2023/2024-financial year for completion.

T 5.5.0

Chapter 5

5.5 CAPITAL EXPENDITURE



Chapter 5

5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources: 2022/23 - 2023/24							
R' 000							
Details		2022/23	2023/24				
		Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
Source of finance							
	External loans	6131	17268	17268	17268	0.00%	0.00%
	Public contributions and donations	322	1	1	1	0.00%	0.00%
	Grants and subsidies	256019	287245	294441	268410	2.51%	-6.56%
	Other						
Total		262472	304514	311710	285679	2.51%	-6.56%
<i>Percentage of finance</i>							
	External loans	2.3%	5.7%	5.5%	6.0%	0.0%	0.0%
	Public contributions and donations	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
	Grants and subsidies	97.5%	94.3%	94.5%	94.0%	0.1%	100.0%
	Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital expenditure							
	Water and sanitation	4410	30330	30330	8454	0.00%	-72.13%
	Electricity	2525	25000	25000	25000	0.00%	0.00%
	Housing	2712	52000	82557	50304	58.76%	-3.26%
	Roads and storm water	1518	73795	73795	73795	0.00%	0.00%
	Other						
Total		11165	181125	211682	157553	0.00%	-13.01%
<i>Percentage of expenditure</i>							
	Water and sanitation	39.5%	16.7%	14.3%	5.4%	0%	554.2%
	Electricity	22.6%	13.8%	11.8%	15.9%	0%	0.0%
	Housing	24.3%	28.7%	39.0%	31.9%	0%	25.1%
	Roads and storm water	13.6%	40.7%	34.9%	46.8%	0%	0.0%
	Other	0.0%	0.0%	0.0%	0.0%	0%	0.0%

T 5.6.1

Chapter 5

COMMENT ON SOURCES OF FUNDING:

The municipality highly dependent on government grants for the implementation of capital projects

T 5.6.1.1

5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Capital Expenditure of 5 largest projects*					
R' 000					
Name of Project	Year 2023/2024				
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
2x20 MVA Frikkie Substation 44/11 (Change control to Plover)	25 000	25 000	25 000	0%	0%
Kokosi Roads and Stormwater (Phase 7)	14 000	19 500	21 987	-57%	-39%
Khutsong South Ext 5 & 6 Internal Roads & Stormwater	20 427	20 427	20 427	0%	0%
Khutsong Roads and Stormwater (Phase 7)	9 500	8 765	12 348	-30%	8%
Khutsong Electricity	20 000	20 000	11 451	43%	0%
* Projects with the highest capital expenditure in Year 0					
Name of Project - A	2x20 MVA Frikkie Substation 44/11 (Change control to Plover)				
Objective of Project	New 132/11 Kv 2 x 40 MVA Substation,				
Delays	Budget Quote submission from Eskom				
Future Challenges	Expenditure of 2023/24 DMRE allocation at risk				
Anticipated citizen benefits	Elijah Barayi Village				
Name of Project - B	Kokosi Roads and Stormwater (Phase 7)				
Objective of Project	Upgrading of existing 1.4km gravel ring road for taxi route in Kokosi Extension 6. Construction of 780m of new stormwater pipeline. Construction of 800m new road reserve sewer pipeline				
Delays	Unabated sewer discharges of existing mid-block sewer pipelines. Inclement weather and consequential delays due to inclement weather				
Future Challenges	Existing services malfunctioning. Community disruptions. Subcontracting disputes				
Anticipated citizen benefits	Community of Kokosi				
Name of Project - C	Khutsong South Ext 5 & 6 Internal Roads & Stormwater				
Objective of Project	7.4m wide asphalt surfaced road. Associated stormwater, channels kerb inlets and pipe infrastructure				
Delays	Sewer spillages, theft of barricading,				
Future Challenges	Exceeding of Speed limit by motorists, continuous sewer spillages				

Chapter 5

Anticipated citizen benefits	Khutsong South
Name of Project - D	Khutsong Roads and Stormwater (Phase 7)
Objective of Project	Setting out of road works and storm water drainage piping, Trenching for storm water drainage piping, Pipe laying for storm water drainage piping, Backfilling of storm water pipe trenches, Construction of mass earthworks, Construction of subbase layer, Construction of base layer, Priming of base, Surfacing of road using premix asphalt, Installation of speed humps, Construction of kerb inlets and manholes, Installation of precast concrete kerbing, Installation of road signs, Painting of road marking
Delays	Blockage of existing sewage pipelines resulting in spillage of raw sewage in storm water pipeline trenches and on road works under construction, Slow delivery of gravel materials from suppliers, Community removing profile poles and traffic signs, Community taking stock piled G6 gravel material
Future Challenges	Existing services malfunctioning. Community disruptions. Subcontracting disputes
Anticipated citizen benefits	Khutsong
Name of Project - E	Khutsong Electricity
Objective of Project	Refurbishment and replacement of breakers. Replace switchgear. Install fencing. Repair serity lighting
Delays	BSC Processes and approval of draft tender document
Future Challenges	Access Limitations
Anticipated citizen benefits	Welverdiend, Elijah Barayi. Khutsong South Ext 4, 5 & 6
T 5.7.1	

Concerning the information above:

The projects were prioritised in terms of the challenges experienced in the delivery of services to the community. The projects were identified as being the largest, based on the size of the actual expenditure, of the projects.

T 5.7.1.1

Chapter 5

5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Roads and Stormwater

It is the mandate of the municipality to provide basic services to the community. The municipality has in previous years implemented roads projects which have reduced the backlog of unsurfaced roads drastically in the townships of Kokosi and Greenspark respectively. That has assisted in installation of stormwater that never existed as well. We are currently left with Khutsong township which is worse off in terms of unsurfaced roads, however the MIG funding is providing for implementation on each financial year although it is not at the desired pace due to the challenge at hand.

Although no bulk funding has been availed so far, business plans have been submitted to request funding from various grant providers. The backlog relates to both roads and stormwater infrastructure. This has got a serious impact in Khutsong township since it is a necessity in a dolomitic area to avoid any ponding of stormwater. That can be achieved effectively on a surfaced road. Through the consultation with other spheres of government, the municipality still hopes to find a better alternative that could assist in addressing the matter.

Waste Management

Refuse removal service in informal settlement is only been done in Mphahlwa village using 6m3 .

Kokosi Ext 6 and Khutsong Ext 5 have the shortage of 240l bins and the distribution is still outstanding due to shortage of 240l bins.

Refuse removal strategy in informal settlement was developed and approved but not been implemented due to the municipal financial status.

T 5.8.1

Chapter 5

Service Backlogs as at 30 June Year 2023		
Households (HHs)		
*Service level below minimum standard		
	No. HHs	% HHs
Water		
Formal Households	5,8,9,10,12,13,15,21,27	32%
Informal Households	1,4,5,9,10,11,13,15,21,22,23,24,27	46%
Sanitation		
Formal Households	1,10,21,27	14%
Informal Households	1,3,4,5,9,10,11,13,15,21,22,23,24,27	50%
Electricity		
Formal Households	21,27	7%
Informal Households	6,10,13,15,21,22,23,24,27	32%
Waste management		
Formal Households	1,4,7,8,9,10,11,12,13,20,21,25,26,27	50%
Informal Households	3,4,5,6,8,9,10,11,13,15,16,21,22,23,24,27	57%
Housing		
Formal Households	9,10,11,15,19,21,27	25%
Own Source: Community Priorities (IDP Office)		
T 5.8.2		

Chapter 5

Municipal Infrastructure Grant (MIG)* Expenditure Year 2023/2024 on Service backlogs						
						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Infrastructure - Road transport						T3.7.9
Roads, Pavements & Bridges	51 800	50 619	54 589	5%	7%	
Storm water	Cost included above					
Infrastructure - Electricity						T3.3.8
Generation						
Transmission & Reticulation				0%	0%	
Street Lighting	5 500	2 736	1 735	-217%	-58%	
Infrastructure - Water						T3.1.9
Dams & Reservoirs						
Water purification						
Reticulation	10 000	4 700	3 785	-164%	-24%	
Infrastructure - Sanitation						T3.2.9
Reticulation						
Sewerage purification				0	0	
Infrastructure - Other						T3.4.9
Waste Management						
Transportation						
Gas						
Other Specify:						T3.13.6
Economic Devt. Services						
Sport and Recreation	4 639	1 720	178	-	-866%	T 3.23.5
Cemeteries & Crematoriums	4 200	11 064	10 450	60%	-6%	T 3.13.6
PMU (O&M)	3 955	3 955	3 955	0%	0%	
* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						
						T 5.8.3

Chapter 5

COMMENT ON BACKLOGS:

MIG funds have been used in the 2023/2024-financial year to reduce the backlogs in basic services in particular tarring/paving of roads, sewer reticulation, as well as the construction of sports facilities. The figures above are exclusive of value added tax, to be aligned to the figures in the Annual Financial Statements.

T 5.8.4

COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

INTRODUCTION TO CASH FLOW MANAGEMENT AND INVESTMENTS

The introduction of the strict cash management regime in the previous financial year was maintained, even after the cash balances improved, to ensure a culture of cost curtailment. The budget approved for the 2022/2023 – 2023/2024 years retained the focus on cash availability. The priority for the next year will be to continue to phase our offset depreciation so that additional cash will be generated from operations for utilisation on repairs and maintenance and asset renewals.

T 5.9

Chapter 5

5.9 CASH FLOW

R'000				
Description	2021/22	Current: 2023/24		
	Audited Outcome	Original Budget	Adjusted Budget	Actual
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts	1 891 671	2 231	2 310	167
Ratepayers and other	1 386 740	1 429	1 436	116
Government - operating	252 673	238	259	–
Government - capital	104 878	316	360	31
Interest	147 381	248	255	19
Dividends				
Payments	(1 101 050)	(1 259)	(1 231)	(174)
Suppliers and employees	(1 044 752)	(1 221)	(1 161)	(135)
Finance charges	(54 003)	(37)	(70)	(37)
Transfers and Grants	(2 295)	(2)	(1)	(2)
NET CASH FROM/(USED) OPERATING ACTIVITIES	790 621	972	1 078	(7)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–			
Decrease (Increase) in non-current debtors				
Decrease (increase) other non-current receivables				
Decrease (increase) in non-current investments				
Payments				
Capital assets				
NET CASH FROM/(USED) INVESTING ACTIVITIES	–	–	–	–
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans				
Borrowing long term/refinancing				
Increase (decrease) in consumer deposits	5 172	3	–	0
Payments				
Repayment of borrowing	–	(5)	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	5 172	(2)	–	0
NET INCREASE/ (DECREASE) IN CASH HELD	795 793	970	1 078	(7)
Cash/cash equivalents at the year begin:				–
Cash/cash equivalents at the year end:	795 793	970	1 078	(7)
Source: MBRR A7				T 5.9.1

Chapter 5

COMMENT ON CASH FLOW OUTCOMES:

The municipality generated a healthy cash balance from operations. No cash from external loans or capital transfer payments were utilised for the payment of salaries. Cash from investing activities reduced from R177 m to negative R188 m. The year closed with a cash balance of R-251 m.

T 5.9.1.1

5.10 BORROWING AND INVESTMENTS

Actual Borrowings: 2023-2024			
	R		
Instrument	2020/21	2022/23	2023/24
Municipality			
Long-Term Loans (annuity/reducing balance)	27 116 155.00	27 116 155.00	17 268 371
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases	677 016.00	677 016.00	-
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Municipality Total	27 793 171.00	27 793 171.00	17 268 371
Municipal Entities	N/A	N/A	N/A
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (non-annuity)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
Entities Total	-	-	0

T 5.10.2

Chapter 5

INTRODUCTION TO BORROWING AND INVESTMENTS

No borrowings increased during the year as all loans were taken up to fund infrastructure and vehicles were taken in previous years.

T 5.10.1

Chapter 5

COMMENT ON BORROWING AND INVESTMENTS:

No borrowings increased during the year as all loans were taken up to fund infrastructure and vehicles were taken in previous years.

The municipality only has short term investments (Call accounts deposits). These investments are for periods of less than 3 months and as such are included in the cash and cash equivalents line item on the Statement of Financial Position

T 5.10.5

COMPONENT D: OTHER FINANCIAL MATTERS

5.12 SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT

Merafong City Municipality has a supply chain policy which has been approved by Council. Templates to enforce compliance have been put in place to curb irregular expenditure.

Training of SCM Staff will be ongoing. Key SCM Staff have the competency levels set by Treasury. Where the Auditor General has highlighted issues that need remedial action, the Council of Merafong has convened to recommend that MPAC investigate irregular expenditure and implement remedial action including consequence management.

T 5.12.1

5.13 GRAP COMPLIANCE

GRAP COMPLIANCE

A full GRAP-review was performed during the 2023/2024-financial year. The financial statements for the 2023/2024 -financial year are in accordance with the applicable GRAP standards, inclusive of the standards that became effective during the year under review.

T 5.13.1

Chapter 6

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The Constitution, Section 188(1)(b), states that the functions of the Auditor-General include the auditing and reporting on the accounts, financial statements and financial management of all municipalities. The Municipal Systems Act, Section 45, states that the results of performance measurement must be audited annually by the Auditor-General. The Annual Financial Statements are set out in Volume II of the Annual Report. These statements have been audited by the Auditor-General and a qualified audit opinion was received.

The Auditor-General's Report is also included in this Annual Report.

T 6.0.1

COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR 2022/23

6.1 AUDITOR GENERAL REPORTS YEAR 2022/23 (PREVIOUS YEAR)

Auditor-General Report on Financial Performance: 2022/23	
Audit Report Status	The office of the Auditor-General issued a disclaimer of opinion for the year under review. Both financial performance and predetermined objectives were audited. The final report was issued on 30 November 2022. Details of the report are discussed in the table below:
Non-Compliance Issues	Remedial Action Taken
Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA	Due to the cash flow situation of the municipality it is not possible to pay creditors within the 30 days period. Daily monitoring of the available funds is done by the CFO. Payments are released as soon as cash becomes available. Cost containment regulations are being implemented together with the revenue enhancement to improve Council's cash situation. A turnaround strategy was developed in partnership with Provincial Treasury and COGTA.

Chapter 6

Reasonable steps were not taken to prevent irregular expenditure amounting to R49 127 148 as disclosed in note 47 to the annual financial statements, as required by section 62(1)(d) of the MFMA. All the irregular expenditure was caused by contravention of regulation 19(a), due to no competitive bidding processes for goods and services procured, non-compliance with regulation 32 and regulation 36(1) on procurement of goods and services under contracts secured by other organs of state and unjustified deviation from supply chain management regulations, respectively.	Management will ensure that Supply Chain Management Regulations are adhered to in order to prevent the occurrence of irregular expenditure.
Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R74 166 664, as disclosed in note 47 to the annual financial statements, in contravention of section 62(1)(d) of the MFMA. All the disclosed fruitless and wasteful expenditure was caused by late payments to suppliers which incurred penalties and interest.	Daily monitoring of the available funds is done by the CFO. Payments are released as soon as cash becomes available. Cost containment regulations are being implemented together with the revenue enhancement to improve Council's cash situation. A turnaround strategy was developed in partnership with Provincial Treasury and COGTA.
<p><i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i></p> <p style="text-align: right;">T 6.1.1</p>	

Auditor-General Report on Service Delivery Performance: 2022/23	
Audit Report Status:	
Non-Compliance Issues	Remedial Action Taken
The source of information, evidence and method of calculation for measuring the planned indicators was not clearly defined and related systems and processes were not adequate to enable consistent measurement and reliable reporting of performance against 7 predetermined indicator definitions. As a result, limitations were placed to audit the reliability of the achievements of indicators	Smart indicators will be implemented to address the finding on planned outcomes to actual outcomes
T 6.1.2	

Chapter 6

COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2023/24 (CURRENT YEAR)

6.2 AUDITOR GENERAL REPORT YEAR 2023/24

Auditor-General Report on Financial Performance: 2023/2024	
Audit Report Status	
Non-Compliance Issues	Remedial Action Taken
SCM non-compliance - Irregular expenditure	Policy awareness and also DC's taken on employees who contravened laws and regulations
Electricity and water losses	Projects to install smart meters for water and electricity
Non- compliance on payments within 30 days -Fruitless expenditure	Strategies being implemented to improve cashflow
HR policies reviewed but not approved in council and petty cash policy	Policies will go to council before 30 June 2025
<i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i>	
T 6.2.1	

Auditor-General Report on Service Delivery Performance: 2023/24	
Audit Report Status:	Disclaimer of opinion
Non-Compliance Issues	Remedial Action Taken
SDBIP - POE not reliable against targets met	Revise SDBIP at mid-term to ensure compliance
	T 6.2.2

AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 2023/24
AG Report Attached as Annexure C of the Annual Report
T 6.2.3

Chapter 6

COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 2023/24:

The Merafong Municipality received a qualified audit opinion for 23/24 FY:

The AG identified non-compliance as follows: Section 122 (1) of the MFMA , Section 62(1)(d) of the MFMA Section 65(2)(e) of the MFMA , SCM regulation 17(1)(a) and (c) SCM regulation 19(a) and SCM regulation 36(1) and revenue loss in meters not working together with high distribution losses.

The OPCA document will be developed to monitor remedial actions to address all findings. - Improvement of internal controls - Improvement of record keeping - Review and monitor compliance with applicable legislation. Management has to strengthen monitoring, controls and oversight, in an attempt to avert another qualified audit opinion. Coupled with this, strict Consequence Management has to be implemented

T 6.2.4

COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer  Dated 15 January 2025

T 6.2.5

GLOSSARY

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General performance indicators Key	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.

GLOSSARY

Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National Key performance areas	<ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.

GLOSSARY

Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

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APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Councillors, Committees Allocated And Council Attendance					
Council Members	Full Time/Part Time	Committees Allocated	*Ward and /or Party Represented	Percentage Council Meetings Attendances	Percentage Apologies for non-attendance
	FT/PT			%	%
N BEST	FT	EXECUTIVE MAYOR	ANC	100%	0%
M CILIZA	PT	SPORT, RECREATION, ARTS & CULTURE	AIC	0%	0%
		MPAC MEMBER			
WA FIHLA	PT	LED, TOURISM & COMMUNITY DEVELOPMENT	DA	62%	38%
		MPAC MEMBER			
NW GCWALANGOBHUTHI	PT	PUBLIC SAFETY & TRANSPORT	UDM	85%	15%
		MPAC MEMBER			
CY KGAKATSE	PT	WATER, ELECTRICITY & GAS,	DA	69%	31%
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		HEALTH & SOCIAL DEVELOPMENT			
PE PHALATSE	PT	FINANCE	EFF
L LEGABE	PT	LED, TOURISM & COMMUNITY DEVELOPMENT	EFF	92%	8%
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		MPAC MEMBER			

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N LETLABIKA	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	85%	15%
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		SPORTS RECREATION & CULTURE			
RG LUBBE	PT	LED, TOURISM & COMMUNITY DEVELOPMENT	VFP	85%	15%
		CORPORATE & SHARED SERVICES			
		FINANCE			
LI MANGALISO	PT	MMC PUBLIC SAFETY	ANC	100%	0%
L MARITZ	PT	PUBLIC SAFETY & TRANSPORT	DA	62%	38%
		SPORTS RECREATION & CULTURE			
TR MASIU	PT	WATER, ELECTRICITY & GAS	ANC	77%	23%
		CORPORATE & SHARED SERVICES			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		FINANCE			
J MATABANE	PT	PUBLIC SAFETY & TRANSPORT	EFF	62%	38%
GE MBALISO	FT	MMC: LED, TOURISM & COMMUNITY DEVELOPMENT	ANC	92%	8%

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SB MBECHENI	PT	HEALTH & SOCIAL DEVELOPMENT	EFF	69%	31%
N MCETYWA	FT	MMC: PUBLIC SAFETY & TRANSPORT	ANC	100%	0%
LA MGANU	FT	MMC: WATER, ELECTRICITY & GAS	ANC	92%	8%
DL MYILIBE	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	92%	8%
		CORPORATE & SHARED SERVICES			
		SPORTS RECREATION & CULTURE			
		ROADS, STORMWATER & PUBLIC WORKS			
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
TM MNQANDI	PT	PUBLIC SAFETY & TRANSPORT	ANC	100%	0%
		WATER, ELECTRICITY & GAS			
		FINANCE			
		HEALTH & SOCIAL DEVELOPMENT			
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		MPAC MEMBER			
T MOKUKE	FT	CHIEF WHIP	ANC	100%	0%
TD MOLATLHEGI	PT	WATER, ELECTRICITY & GAS	ANC	85%	15%
		HUMAN SETTLEMENT & LAND DEVELOPMENT			

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		SPORTS RECREATION, ARTS & CULTURE			
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
ATR MOTSUMI	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	77%	23%
		SPORTS RECREATION, ARTS & CULTURE			
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
M MOYENI	FT	MMC FINANCE	ANC	100%	0%
TE MPHITHIKEZI	FT	SPEAKER OF COUINCIL	ANC	100%	0%
LM MPUPU	PT	FINANCE	ANC	100%	0%
		ROADS, STORMWATER & PUBLIC WORKS			
		SPORTS RECREATION, ARTS & CULTURE			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
ET MTEMBU	PT	CORPORATE & SHARED SERVICES	EFF	69%	31%
Z MTETO	PT	HEALTH & SOCIAL DEVEVELOPMENT	DA	62%	32%
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			

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VT MQOTHA	PT	SPORTS RECREATION, ARTS & CULTURE	EFF
M NAKI	PT	ROADS, STORMWATER & PUBLIC WORKS	ANC	46%	54%
		HEALTH & SOCIAL DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
		CORPORATE & SHARED SERVICES			
M NGQELE	PT	FINANCE	ANC	92%	8%
		ROADS, STORMWATER & PUBLIC WORKS			
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		CORPORATE & SHARED SERVICES			
		WATER, ELECTRICITY & GAS			
MB NKABINDE	PT	ROADS, STORMWATER & PUBLIC WORKS	ANC	92%	8%
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		CORPORATE & SHARED SERVICES			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
VB NKWANYANA	FT	SPORTS RECREATION, ARTS & CULTURE	IFP	59%	41%

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M NTABENI	PT	ROADS, STORMWATER & PUBLIC WORKS	MAC	77%	23%
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		SPORTS RECREATION, ARTS & CULTURE			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		WATER, ELECTRICITY & GAS			
MA MANTILANE	PT	FINANCE	MAC	85%	15%
		HEALTH & SOCIAL DEVELOPMENT			
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		PUBLIC SAFETY & TRANSPORT			
		CORPORATE & SHARED SERVICES			
PEB O'RILEY	PT	MPAC MEMBER	MAC	100%	0%
		HEALTH & SOCIAL DEVELOPMENT			
		HUMAN SETTLEMENT & LAND DEVELOPMENT			
		SPORTS RECREATION, ARTS & CULTURE			
		MPAC MEMBER			
AM PHENDUKA	FT	MPAC CHAIRPERSON	ANC	85%	15%
NC PITLELE	PT	FINANCE	ANC	92%	8%
		HUMAN SETTLEMENT & LAND DEVELOPMENT			

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		PUBLIC SAFETY & TRANSPORT			
		WATER, ELECTRICITY & GAS			
CMD REBELO	PT	FINANCE	DA	77%	23%
		PUBLIC SAFETY & TRANSPORT			
		WATER, ELECTRICITY & GAS			
PN SEFAKO	FT	MMC: HUMAN SETTLEMENT & LAND DEVELOPMENT	ANC	85%	15%
DM SEGAKWENG	FT	MMC: INTERGRATED ENVIRONMENTAL MANAGEMENT	ANC	100%	0%
GM SELLO	FT	MMC: CORPORATE & SHARED SERVICES	ANC	100%	0%
N LUQHIDE	PT	WATER, ELECTRICITY & GAS	EFF
CS STEENKAMP	PT	FINANCE	DA	62%	38%
		ROADS, STORMWATER & PUBLIC WORKS			
		CORPORATE & SHARED SERVICES			
DV TABANE	FT	MMC: ROADS, STORMWATER & PUBLIC WORKS	ANC	92%	8%
SI TLHARIPE	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	100%	0%
		LED, TOURISM & COMMUNITY DEVELOPMENT			
		CORPORATE & SHARED SERVICES			

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		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		WATER, ELECTRICITY & GAS			
		MPAC MEMBER			
E TIBANE	FT	MMC: HEALTH & SOCIAL DEVELOPMENT	ANC	100%	10%
SJ TLHAPI	PT	ROADS, STORMWATER & PUBLIC WORKS	DA	23%	77%
		HEALTH & SOCIAL DEVELOPMENT			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
VM TYELINGANE	PT	HEALTH & SOCIAL DEVELOPMENT	ANC	92%	8%
		SPORTS RECREATION, ARTS & CULTURE			
		PUBLIC SAFETY & TRANSPORT			
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
		WATER, ELECTRICITY & GAS			
B VAN DER BERG	PT	PUBLIC SAFETY & TRANSPORT	VFP	77%	23%
DF VAN DER HOFF	PT	ROADS, STORMWATER & PUBLIC WORKS	VFP	69%	31%
		INTERGRATED ENVIRONMENTAL MANAGEMENT			
NE WANA	PT	ROADS, STORMWATER & PUBLIC WORKS	EFF	62%	38%
JDW ZWART	PT	FINANCE	DA	85%	15%
Note* Councillors appointed on a proportional basis do not have wards allocated to them					TA

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APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Audit Committee 1. Mr L Konar CA(SA) (Chairperson) 2. Mr L Mangquku CA(SA) 3. Mr M Maseko 4. Mr L Ravhuhali CA(SA) 5. Mr B Ahmed CA(SA)	Section 166(2) of the MFMA regulates the functions of the Audit Committee, its powers, composition and frequency of meetings, as it seeks to provide minimum requirements to be complied with. The Audit Committee is an independent advisory body to the municipal council, the political office-bearers, the accounting officer and the management and staff of the municipality, or board of directors, the accounting officer and the management staff of the municipal entity. It is primarily responsible for oversight over the organization's governance, legislative compliance, control and risk management processes.
Performance Audit Committee 1. Mr. M Mongalo (Chairperson) 2. Mr S Khoza 3. Ms O Senokoane 4. Mr P Fourie CA(SA) 5. Mr A Mangokwana	Regulation 14(2) (a) of the Municipal Planning and Performance Management Regulations, 2001 requires that each Municipality must annually appoint and budget for the Performance Audit Committee. Regulation 14(4) (a) of the Municipal Planning and Performance Management Regulations, 2001 states functions and responsibilities of the Performance Audit Committee. The primary objective of the Performance Audit Committee is to exercise oversight over the West Rand municipalities' performance and performance management processes.
MPAC Committee – Section 79 Committee	Oversight role on the activities of Council as well as an oversight role on the Annual Report

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APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

DEPARTMENT/SECTION	DETAILS OF MANAGER
POLITICAL SUPPORT	
Office of the Mayor	J Mofokeng Mr (Acting)
Office of the Speaker	B Mjiwu Ms
Office of the Chief Whip	D Mosolotsane Mr
OFFICE OF THE MM	
Internal Audit	V Manthata Ms
Risk Management	E Segakweng-Diale Ms
Programme Management Office	E Ngamashe Ms
CORPORATE SUPPORT AND SHARED SERVICES	
Industrial Relations	SB Mazibuko Mr
Information Communications and Technology	S Segone Mr L Selemela Mr (Acting)
Human Capital	Vacant J Monne Ms (Acting)
Legal and Secretariat	T Dassie Mr
Corporate Marketing and Communications	T. Fezani Mr
FINANCE	
Budget and Treasury and Expenditure:	S Ngobese Mr
Revenue and Credit Control:	Vacant K Kharejane Ms (Acting)
Supply Chain Management	B Tsotso Ms
COMMUNITY SERVICES	
Social Development	BI Seatlholo Ms
Waste Management	Vacant M Mavhutha Mr
Public Safety	P Olivier Mr (Acting)
SRACH & Lis	Vacant
Manager By-Laws	I Mahlatsi Mr (Acting)
ECONOMIC DEVELOPMENT AND PLANNING	

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Housing and Administration	L Jofile Mr
Spatial Planning	J Smith Ms Z Pheto Ms (Acting)
Local Economic Development	Y Mapasa Ms
INFRASTRUCTURE DEVELOPMENT	
Electrical Services	E Shange Mr J. Nocuze Mr (Acting)
Water and Sanitation Services	S Molosi Ms (Acting)
Civil Engineering	Ms N Moyo Ms
Project Management Unit	S Molosi Ms

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APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipality does not have entities

APPENDIX E – WARD REPORTING

Wards	Name of a ward councillor and committee member 2022/2024	Committee established	Number of committee meeting held during the year	Number of monthly reports submitted to the Speaker's office on time	Number of quarterly public ward meetings held during the year
1	CIlr A.T.R. MOTSUMI Boqwana Deon Legoete Tebogo Mashapa Sydney Magwaza Sello Petrus Kula Johanne Manyedi Mavis Mashapa Lerato Phatswane Rebecca Nhlapo Jeremia Leping Johannes	YES	12	12	1
2	CIlr T.M. MNQANDI Lefifi Elsie Mohapi Lebohang Senatla Kgomotso Nkentshane Lucas Jokozela Mbabaza Gloria Vas Zodwa Nazo Mapule Mosoche Maria Gwala Sophie Nkopane Portia	YES	12	12	2
3	CIlr E. TIBANE Sikhenjane Sabata Andries Silimela Linah Nghenabo Bridget Moloko Nellie Hlwili Nompumelelo Ngesi Nomalizo Molefe Gogo Maria	YES	12	12	2

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	Masetle Lieketseng Angelina Nthibane Lisebo Emily Khoza Patrick Lebelekwana				
4	Cllr F.A MOTLOUNG Bathebeng Thabo Rabanye Ntsoaki Patricia Cebisa Zwelinzima Ntuli Helen Makoko Ntabeleng Mtshengu Vuiswa Agnes Ntsheyang Thandiwe Wasa Ncumisa Makeleni Mavis Mnyamana Amanda	YES	12	12	1
5	Cllr N. MCETYWA Spamla Nontsikelelo Nxumalo Sibusiso Tobayo Nosipho Sylvia Zembe Tabisa Ndude Nosidima Goshobe Nontsikelelo Kanyiwe Zanele Leduba Nthabeleng	YES	12	12	3
6	Cllr L.I. MANGALISO Dilima Lindiwe Monama Vuyelwa Siwa Msiya Moeketsi Moses Busakwe Precious Talita Khalipha Esak Meno Ncwane Pual Stephane Mgqubeni Noluvuyo Patricia Kula Daniel Ndabankulu CN	YES	12	12	2
7	Cllr D.M. SEGAKWENG Mogale Princess Medupe Boitumelo Ramantsi Mosetlha Baas Oupa Joseph Kgatitsoe Kelebogile Kekana Itumeleng Makhoba Thulani Nkomane Sibusiso Magwaza Nobuhle Maseko Mathapelo	YES	12	12	3
8	Cllr M.B. NKABINDE	YES	12	12	3

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	Mabitsa Ndleleni Madikizela Yonela Coliath Nomakhosazana Ziqotyana Nocawe Tsotetsi Golden Phiri Mmenyama Erestina Foteng Kenneth Mhlanga Nosipho Tabane Elias KGOBE MOTI				
9	Cllr N.C. PITILELE Meletse Aletta Silli Motlhaoleng Seabelo Andrew Rabuthu Thabang Elisas Myeni Elliot Montsho Miriam M Mokhahlane Pule Mabote Hans Seete Alinah Motlalepula Mathebula Khensani S Moya Aaron	YES	12	12	4
10	Cllr T.R. MASIU Matabane Mathapelo Rabele Tebogo Marubyane Mponeng Legoete Monosi Ephraim Moremi Boitumelo Mlotshwa Princess Dlamini Sipho Musa Faxayi Thandiwe Joyce Lecwamotse Gabriel Merriana Digwamaje Dikeledi Rebecca	YES	12	12	1
11	Cllr N. LETLABIKA Modibane Obakeng SiyenguPrester Delibango Mazwi Sampson Tembisile Gxulu Akhona Cosa Zukhanye Siniu Richard Mbulelo Tungela Ncumisa Mazwi Nonzukiso Sivungu Nolubabalo Gamthini Mthandazelwa	YES	12	12	4
12	Cllr T. MOKUKE Ntori Mahao Lebabo Martin Moeketsi	YES	12	12	2

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	Ncana Given Nake Nomsa Agnes Ncebeni Elizabeth Sethole Suzan Tekana Martha Bokale Gloria Mathapelo Daniel Belinda Itumeleng Telile Thabo				
13	Cllr E.T. MTHEMBU Ndamase Zukisiwa Mbina Nontobeko Madibi Phillip Chola Xliswa Sylvia Saia Benjamin Maluleka Gezani Thomas Khetshana Nontobeko Senteni Fundisile Balintulo Yolanda Lutshetu Sinovuyo	YES	12	12	2
14	Cllr L. MARITZ Nieuwoudt Cwa Hahingh Francois Arnoldus Michau Barend Van der Merwe Corn Van Den Berg Jacob Petronella van der Merve Jacobus Pieter Matlala Simon Hattingh Heidi Bouwer Nadine VAN DER MERWE CORNE	YES	12	12	2
15	L. MGANU Sicwebu Zimasa Mbuli Yoleka Banele Magiliwe Ndamase Mxolisi May Siyoyo Manqokomelana Ntombentle Mosebetsane Ntuseng Funeka Marongo Sotyingwa Amanda Langa Zandiswa	YES	12	12	2
16	D.H.HARMAN Dlamini Florence QOLO GLADYS NOMVULA Hlalele Thapelo Phakoago Agnes	YES	12	12	2

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	Nogaga Siviwe Wana Annah N Lekhooa Kekeletso Mohutsiwa Hilda Tsholo Martha Esterhuizen Jacobus				
17	CIlr C.S. STEENKAMP Botlholo Alfred Matomela Nomfundo Stuurman Aphiwe Makgota Fannie Molotsi Moelo Mokgatsi Joseph Letsie Motsabi Aletta Ntsoabole Abusiswe Matsepe Reginah Fischer Nicelle	YES	10	10	2
18	CIlr S.I. TLHARIPE van Rooyen Patricia Mphahlele Blantina Leoto Phamphillia Mamokhoo Mokoto David Nhlapo Veronica Maile David Mtimkulu Victoria Zungu Thembi Ramncwana Inganathi Serekego Magudi Alina	YES	12	12	3
19	CIlr V.M. TYELINGANE Mzukwa Liziwe Ranana Xolani Sixhanti Aphelele Zozoyama Bongile Mpanza Lungani Phohlo Mampho Deyi Zukiswa Chakuua Poni Mhlongo Sthembile Cebani Noziphiwe	YES	12	12	1
20	CIlr M. NGQELE Titi Ziyanda Pito Luyanda Chabagae Maria Thuthubudu Ntutu Babalwa Mkhetsu Zanele Zituta Lunga	YES	12	12	2

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	DentiNomthandazo Mzomba Nomvula Kama Phumla Jobo Nonkanyiso Melba				
21	Cllr J.D.W. ZWART VERMAAS ZONDER BERNI GROENEWALD ELVIS MAKHAYA TSIDI PHEIFFER RICHARD DEAN WILLEMSE MANDU PRICILLA FOURIE MATHAPELO LEBOKO JABULANI PHILEMON ZWELIBANZI BETTIE ISAAKS ABRAHAM JACKSON MOERANE EPHRAIM	YES	12	12	1
22	Cllr A.M. PHENDUKA Ndlovu Buti Isaac Letloenyane Abel Thabo Mootsi Dora Masesi Phajane John Moeletsi Ndayi Elsie N Okolo Lindela Obos Nonhlupheko Peggy Qekelana Fezeka Menyatso Matlhomola Molefe Siphio Johannes	YES	12	12	1
23	Cllr L.M. MPUPU Ngxabani Xoliswa Mdingi Phumlani Mvimbi Nomalungisa Tshemese Faniswa Ntutha Nomthandazo Sebakwe Iris Pito Bukiwe Nelicia Philiswa Mzolisa Mohloboli Seeshe Simon Zondo Siyabonga	YES	12	12	2
24	Cllr T.D. MOLATLHEGI Tlholoe Isaac Pappie Mogale Gosalamang Ruth Diale Mosiua Daniel Motaung Lucas M Mnqwazi Mandlana Edward Misapitso Mary Motlalepule Banda Siphile James Kani Thobile	YES	12	12	2

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	Konopi Majoro Jonqo Thandi Alice				
25	Cllr D.L. MAYILIBE Ndzilane Ntobekhaya Vimba Mthuthuzeli William Gundane Sisina Ramotapi Buti Jacob Booi Noluthando Molefe Motlalepule C Moloko Alpheus Ngwanya Saulina Deliwe Koti Asanda Robert Phato Esther	YES	12	12	2
26	Cllr G.E. MBALISO Phenduka Lindiwe Lizzy Shabalala Loyiso Setona Palesa Rose Kumalo Nonhlanhla Goodness Mokoena Ntebaleng Emily Thiko Nomvula Mphumela Thomas Malefane Noyozanele Alinah Mpeke Matshepang Phopoye Tshepiso	YES	12	12	2
27	Cllr M. NAKI Bungalipeli Mbulelo Medichane Orapeleng Seribe Kabelo Landu Princess Bhota Anelisa Khohli Nozandisa Mokone Moipone Somdaka Babalwa Mtshali Honjiswa Sitshongaye Nomawethu	YES	12	12	3
28	Cllr C.MD. REBELLO Leballo Tseliso Zungu Constance Mgqaliso Raymond Ngqasa Chuene Jane Fanie Phuthuma Axole Segau Molwanta Abraham Mkonza Anna Mafulane Templeton John Ntsimane Maria	YES	12	12	3

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APPENDIX F – WARD INFORMATION

Ward Title: Ward Name (Number)					
Capital Projects: Seven Largest in Year 2023/2024 (Full List at Appendix O)					
No.	Ward	Project Name and detail	Start Date	End Date	R' 000 Total Value
P765	1,2 (Khutsong)	2x20 MVA Frikkie Substation 44/11 (Change control to Plover)	10/10/2022	Multi-year	25 000
P748	1,2 (Khutsong)	Khutsong South Ext 5 & 6 Internal Roads & Stormwater	20/07/2021	28/06/2024	35 000
P766	1,2 (Khutsong)	Khutsong Electricity	01/09/2023	Multi-year	11 452
P757	22,26 (Kokosi)	Kokosi Roads and Stormwater (Phase 7)	29/07/2022	25/06/2024	25 867
P778	1,2 (Khutsong)	Khutsong Rehabilitation of Sinkholes	01/09/2023	Multi-year	4 013
P752	20 (Kokosi)	Development of New Kokosi Cemetery	20/07/2021	25/04/2024	26 307
P756	1,2 (Khutsong)	Khutsong Roads and Stormwater (Phase 7)	29/07/2022	28/06/2024	13 762
					T F.1

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service	92%	90%	87%	70%	
Households without minimum	8%	10%	13%	30%	
Total Households*	77 599	77 599	77 599	77 599	
Houses completed in year					
Shortfall in Housing units					
Source: IHS Markit, 2022					T.F.2

Top Four Service Delivery Priorities for Ward (Highest Priority First)				
No	Priority Name and Detail	Percentage 2023/2024	During	Year
1	Removal of illegal dumping	93%		
2	Maintenance of stormwater drainage system	89%		
3	Repair of potholes in municipal tarred road	89%		
4	Sufficient maintenance of water network outside the yard (meter leakages, pipes)	89%		
Source: IDP Community Priorities 2023/2024				T F.3

APPENDICES

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)

Wards		Name of a ward Councillor and committee member 2022/2024	Number of Meetings Attended
1		Clir A.T.R. MOTSUMI Mankwe Maria Legoete Tebogo Mashapa Sydney Magwaza Sello Petrus Kula Johanne Manyedi Mavis Mashapa Lerato Phatswane Rebecca Nhlapo Jeremiah Leping Johannes	12 12 12 12 12 12 12 12 12 12 12
2		Clir T.M. MNQANDI Lefifi Elsie Mohapi Lebohang Senatla Kgomotso Mbabaza Gloria Vas Zodwa Mosiane Aradatana David Mosoche Maria Gwala Sophie Nkopane Portia	12 12 12 12 12 12 12 12 12 12
3		Clir E. TIBANE Sikhenjane Sabata Andries Silimela Linah Nghenabo Bridget Moloko Nellie Hlwili Nompumelelo Ngesi Nomalizo Molefe Gogo Maria Masetle Lieketseng Angelina Nthibane Lisebo Emily Khoza Patrick Lebelekwana	12 12 12 12 12 12 12 12 12 12
4		Clir F.A MOTLOUNG Bathebeng Thabo Rabanye Ntsoaki Patricia Cebisa Zwelinzima Ntuli Helen Makoko Ntabeleng Mtshengu Vuiswa Agnes Ntsheyang Thandiwe Wasa Ncumisa	11 11 11 11 11 11 11 11

APPENDICES

		Makeleni Mavis	11
		Mnyamana Amanda	11
5		Cllr N. MCETYWA	
		Spamla Nontsikelelo	12
		Metsing Bobatsi	12
		Zembe Tabisa	12
		Ndude Nosidima	12
		Goshobe Nontsikelelo	12
		Kanyiwe Zanele	12
		Leduba Nthabeleng	12
		Sitsile Queen	12
		Sipele Phila	12
		Gxala Nosisi	12
6		Cllr L.I. MANGALISO	
		Dilima Lindiwe	12
		Monama Vuyelwa Siwa	12
		Msiya Moeketsi Moses	12
		Busakwe Precious	12
		Talita Khalipha	12
		Esak Meno	12
		Ncwane Pual Stephane	12
		Mgqubeni Noluvuyo Patricia	12
		Kula Daniel	12
		Ndabankulu CN	12
7		Cllr D.M. SEGAKWENG	
		Mogale Princess	12
		Medupe Boitumelo	12
		Ramantsi Mosetlha	12
		Baas Oupa Joseph	12
		Kgatitsoe Kelebogile	12
		Kekana Itumeleng	12
		Makhoba Thulani	12
		Nkomane Sibusiso	12
		Magwaza Nobuhle	12
		Maseko Mathapelo	12
8		Cllr M.B. NKABINDE	
		Mabitsa Ndleleni	12
		Madikizela Yonela	12
		Coliath Nomakhosazana	12
		Ziqotyana Nocawe	12
		Tsotetsi Golden	12
		Phiri Mmenyama Erestina	12
		Foteng Kenneth	12
		Mhlanga Nosipho	12
		Tabane Elias	12
		Kgobe Moti	12

APPENDICES

9		ClIr N.C. PITLELE Meletse Aletta Silli Motlhaoleng Seabelo Andrew Rabuthu Thabang Elisas Myeni Elliot Montsho Miriam M Mokhahlane Pule Mabote Hans Seete Alinah Motlalepula Mathebula Khensani S Moya Aaron	12 12 12 12 12 12 12 12 12
10		ClIr T.R. MASIU Matabane Mathapelo Rabele Tebogo Marubyane Mponeng Legoete Monosi Ephraim Moremi Boitumelo Mlotshwa Princess Dlamini Sipho Musa Faxayi Thandiwe Joyce Lecwamotse Gabriel Merriana Digwamaje Dikeledi Rebecca	12 12 12 12 12 12 12 12 12 12
11		ClIr N. LETLABIKA Modibane Obakeng SiyenguPrester Delibango Mazwi Sampson Tembisile Gxulu Akhona Cosa Zukhanye Siniu Richard Mbulelo Tungela Ncumisa Mazwi Nonzukiso Sivungu Nolubabalo Gamthini Mthandazelwa	12 12 12 12 12 12 12 12 12 12 12
12		ClIr T. MOKUKE Ntori Mahao Lebabo Martin Moeketsi Ncana Given Nake Nomsa Agnes Ncebeni Elizabeth Sethole Suzan Tekana Martha Kgaje Lenah Makie Mosiane Otsile Victor Telile Thabo	12 12 12 12 12 12 12 12 12 12 12
13		ClIr E.T. MTHEMBU Ndamase Zukisiwa	12

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		Mbina Nontobeko	12
		Madibi Phillip	12
		Chola Xliswa Sylvia	12
		Saia Benjamin	12
		Maluleka Gezani Thomas	12
		Khetshana Nontobeko	12
		Senteni Fundisile	12
		Khonjwayo Malizo	12
		Lutshetu Sinovuyo	12
14		Cllr L. MARITZ	
		Nieuwoudt Cwa	12
		Hahingh Francois Arnoldus	12
		Brits Abraham Jacobus	12
		Van der Merwe Corn	12
		Van Den Berg Jacob Petronella	12
		van der Merve Jacobus Pieter	12
		Matlala Simon	12
		Hattingh Heidi	12
		Bouwer Nadine	12
		Van der Merwe Corne	12
15		Cllr L. MGANU	
		Sicwebu Zimasa	12
		Mbuli Yoleka	12
		Banele Magiliwe	12
		Ndamase Mxolisi	12
		May Siyoyo	12
		Manqokomelana Ntombentle	12
		Mosebetsane Ntuseng	12
		Marongo Funeka	12
		Sotyingwa Amanda	12
		Langa Zandiswa	12
16		Cllr D.H. HARMAN	
		Dlamini Florence	12
		Golo Gladys Nomvula	12
		Hlalele Thapelo	12
		Bruwer Georgina Diederick	12
		Nogaga Siviwe	12
		Wana Annah N	12
		Lekhooa Kekeletso	12
		Mohutsiwa Hilda	12
		Tsholo Martha	12
		Esterhuizen Jacobus	12
17		Cllr C.S. STEENKAMP	
		Botlholo Alfred	11
		Matomela Nomfundo	11
		Stuurman Aphiwe	11

APPENDICES

		Makgota Fannie	11
		Molotsi Moelo	11
		Mokgatsi Joseph	11
		Letsie Motsabi Aletta	11
		Ntsoabole Abusiswe	11
		Matsepe Reginah	11
18		ClIr S.I. TLHARIPE	
		Van Rooyen Patricia	12
		Mphahlele Blantina	12
		Leoto Phamphillia Mamokhoo	12
		Mokoto David	12
		Nhlapo Veronica	12
		Maile David	12
		Mtimkulu Victoria	12
		Zungu Thembi	12
		Ramncwana Inganathi	12
		Serekego Magudi Alina	12
19		ClIr V.M. TYELINGANE	
		Mzukwa Liziwe	12
		Ranana Xolani	12
		Sixhanti Aphelele	12
		Zozoyama Bongile	12
		Mpanza Lungani	12
		Phohlo Mampho	12
		Deyi Zukiswa	12
		Chakuua Poni	12
		Mhlongo Sthembile	12
		Maqutwa Nofezile	12
20		ClIr M. NGQELE	
		Titi Ziyanda	12
		Pito Luyanda	12
		Chabagae Maria Thuthubudu Ntutu	12
		Babalwa	12
		Mkhetsu Zanele	12
		Zituta Lunga	12
		Denti Nomthandazo	12
		Mzomba Nomvula	12
		Kama Phumla	12
		Jobo Nonkanyiso Melba	12
21		ClIr J.D.W. Zwart	
		Vermaas Zonder Berni	12
		Groenewald Elvis	12
		Makhaya Tsidi	12
		Peeeta Seiso	12
		Willemse Mandu Pricilla	12
		fourie mathapelo	12

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		Leboko Jabulani Philemon	12
		Zwelibanzi bettie	12
		Isaaks Abraham Jackson	12
		Moerane Ephraim	12
22		ClIr A.M. PHENDUKA	
		Ndlovu Buti Isaac	12
		Letloenyane Abel Thabo	12
		Mootsi Dora Masesi	12
		Phajane John Moeletsi	12
		Ndayi Elsie N	12
		Okolo Lindela	12
		Obos Nonhlupheko Peggy	12
		Qekelana Fezeka	12
		Menyatso Matlhomola	12
		Molefe Sipho Johannes	12
23		ClIr L.M. MPUPU	
		Ngxabani Xoliswa	12
		Mdingi Phumlani	12
		Mvimbi Nomalungisa	12
		Tshemese Faniswa	12
		Ntutha Nomthandazo	12
		Sebakwe Iris	12
		Pito Bukiwe	12
		Nelicia Philiswa Mzolisa	12
		Mohloboli Seeshe Simon	12
		Zondo Siyabonga	12
24		ClIr T.D. MOLATLHEGI	
		Ttholoe Isaac Pappie	12
		Mogale Gosalamang Ruth	12
		Diale Mosiua Daniel	12
		Motaung Lucas M	12
		Mnqwazi Mandlana Edward	12
		Misapitso Mary Motlalepule	12
		Banda Siphiwe James	12
		Kani Thobile	12
		Konopi Majoro	12
		Jonqo Thandi Alice	12
25		ClIr D.L. MYILIBE	
		Ndzilane Ntobekhaya	12
		Rakomane Moeder	12
		Gundane Sisina	12
		Rabotapi Buti Jacob	12
		Booi Noluthando	12
		Molefe Motlalepule C	12
		Moloko Alpheus Ngwanya	12
		Ngwanya Saulina Deliwe	12

APPENDICES

		Koti Asanda Robert	12
		Phato Esther	12
26		Clir G.E. MBALISO	
		Phenduka Lindiwe Lizzy	12
		Shabalala Loyiso	12
		Setona Palesa Rose	12
		Kumalo Nonhlanhla Goodness	12
		Mokoena Ntebaleng Emily	12
		Thiko Nomvula	12
		Mphumela Thomas	12
		Malefane Noyozanele Alinah	12
		Mpeke Matshepang	12
		Phopoye Tshepiso	12
27		Clir M. NAKI	
		Bungalipeli Mbulelo	12
		Medichane Orapeleng	12
		Seribe Kabelo	12
		Landu Princess	12
		Bhota Anelisa	12
		Khohli Nozandisa	12
		Mokone Moipone	12
		Somdaka Babalwa	12
		Mtshali Honjiswa	12
		Sitshongaye Nomawethu	12
28		Clir C.MD. REBELLO	
		Leballo Tseliso	12
		Zungu Constance	12
		Mgqaliso Raymond	12
		Ngqasa Chuene Jane	12
		Fanie Phuthuma Axole	12
		Segau Molwanta Abraham	12
		Mkonza Anna Mafulane	12
		Templeton John	12
		Ntsimane Maria	12
TF.3			

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 2023/2024

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
23/08/2023	The Audit Committee Charter (2023/2024) reviewed and approved by the Committee.	Yes

APPENDICES

Municipal Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 0	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	The approved Audit Committee Charter (2023/2024) to be tabled at the next Council meeting for adoption.	Yes
	Internal Audit to develop timesheets to keep track of budget hour's v/s spent hours on all projects for 2023/2024 financial year.	Yes
	Internal Audit OPCA to be a standing agenda item at the EXCO & MANCO meetings.	
	The Internal Audit Charter (2023/2024) reviewed and approved by the Audit Committee.	Yes
	The Internal Audit Plan (2023/2024) and the Three-Year Rolling Plan for the years ending 30 June 2026 was approved by the Audit Committee.	Yes
	The letter received by the Municipality from Gauteng Provincial Treasury (GPT) confirming that the 2023/2024 budget is unfunded to be distributed to the Committee for information purposes.	Yes
	The Quality Assurance Assessment Report to be tabled in the next Audit Committee Meeting.	Yes
	The Turn-Around Strategy to be tabled at the next Audit Committee Meeting.	Yes
	The proposed Payment Incentive Scheme to be tabled at the next Audit Committee Meeting.	Yes
	Management to include timelines in all activities planned by the Section: Occupational Health & Safety.	Yes
06/12/2023	The minutes of the Joint Audit Committee and Performance Audit Committee held on the 29 August 2023 to be sent to members of both Committees to review and request round robin approval thereof.	Yes
	The minutes of the Joint Audit Committee and Performance Audit Committee held 31 August 2023 to be sent to members of both Committees to review and request round robin approval thereof.	Yes
	The Internal Audit Methodology (2023/2024) was reviewed and approved by the Audit Committee.	Yes
	The Chief Risk Officer to circulate the Fraud Prevention Plan and Anti-Corruption Strategy for the Audit Committee to assist with the review of the documents.	Yes
	The ICT Report to be expanded to include AG findings for 2022/2023, ICT projects and a list of all approved ICT policies.	Yes
T.G1		

- During the 2023/2024 financial year, the Audit Committee took sixteen (16) resolutions, sixteen (16) were completed.

APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL PERFORMANCE AUDIT COMMITTEE YEAR 2023/2024

APPENDICES

Municipal Performance Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 2023/24	Recommendations adopted (enter Yes) If not adopted (provide explanation)
22/08/2023	The approved Performance Audit Committee Charter (2023/2024) to be tabled at the next Council meeting for adoption.	Yes
	The 1st Quarter Performance Report for 2023/2024 to include in the evaluation of Service Providers a list of Accounting System Providers and a Panel of Lawyers.	Yes
	The Acting CFO to circulate Section 71/52 Reports to the Committee.	Yes
	The Annual Organisational Performance Report to be deferred for review and for improvements to be made on the report.	Yes
	Performance Audit Committee to share their inputs and suggested corrections to the Manager: PMO to update the report.	Yes
	The reviewed Annual Organisational Performance Report to be tabled at the Joint Audit Committee & Performance Audit Committee that is arranged for Tuesday, 29 August 2023.	Yes
	The Municipal Manager to assist by ensuring that Internal Audit findings on the MFMA Compliance Checklist are addressed and that all information that needs to be published on the website is uploaded as stipulated by legislation.	No • Internal Audit noted that below documents are not published on the Website: Section 75 Requirements for quarter under review: • (f) All Long-Term Borrowing Contracts for Q3. • (g) All Supply Chain Management contracts above a prescribed value; for Q3.
01/12/2023	The VBS report to be a standing agenda item for Performance Audit Committee meetings.	No The report to be on the agenda for the next PAC meeting.
	Section: ICT to provide a comprehensive report about the arrangement with e-governance, how it affects the Municipality, challenges and interventions needed to address the matter.	No Internal Audit made a follow-up with Manager Marketing, he mentioned that the e-governance is functioning well, however the challenge is with Sections who must submit reports to Marketing in order to forward all required documents to e-governance to upload on the website.
	The evaluation of service providers should include all service providers providing services and/products to the Municipality.	Yes
	The financial performance analysis to also include the following information: - Mitigation actions for targets not achieved; - Information on revenue; - Information of inventory consumed; - Reasons why debtors were increasing and the mitigating action against the growing debtors; - Explanation on the variance between the budget and actuals; - Information on depreciation and debt impairment;	No Information included in the Performance report as the Committee requested. However some information still outstanding.

APPENDICES

Municipal Performance Audit Committee Recommendations		
Date of Committee	Committee recommendations during Year 2023/24	Recommendations adopted (enter Yes) If not adopted (provide explanation)
	Information on what is contained in the line items with substantial variances such as other own revenue and other expenditure;	
	Finance Department to perform reconciliations, debt impairment, depreciation and management of assets/PPE on a monthly basis and provide monthly reports on these line items.	No The Finance Department to include the Committee's recommendation in the next PAC meeting.
	The PMO Office and Internal Audit Unit to name all the Departments and Sections that are delaying in submitting performance information and hindering the performance improvements within the Municipality. All implicated Departments and Sections should be invited to the PAC meeting to answer to the Committee as to why information is not submitted as requested.	No The Technical Service Department is always submitting late or during Internal Audit process.
	The Credit Control report to be expanded to include the following information: <ul style="list-style-type: none"> - Information on both prepaid and conventional meters including actions taken by the Municipality to disconnect all non-purchasing meters; - An update on procurement of debt collectors to assist with revenue enhancement; - Actions taken to ensure that government Departments pay money owed to the Municipality; 	Yes
12/06/2024	Performance Audit Committee requested that Department: Corporate Shared Services, Section: Revenue Management and Section: Information Technology to provide status reports in the next meeting on their operational activities since December 2023 to date.	No To provide status reports in the next meeting on their operational activities since December 2023 to date.
	The Financial Performance Analysis report to be improved as recommended by the Performance Audit Committee and the previous financial reporting tables be incorporated in the report to provide summary of budget v/s expenditure.	No The previous financial reporting tables be incorporated in the report to provide summary of budget v/s expenditure in the next PAC meeting.
	The Credit Control and Debt Collection Report to be improved as recommended by the Performance Audit Committee and report to include figures, challenges experienced by the Municipality with regard to credit control and debt collection and information on the new system.	No The report on the next PAC meeting to include figures, challenges experienced by the Municipality with regard to credit control and debt collection and information on the new system.
	An apology to be sent to Internal Audit should the Municipal Manager and/or Executive Managers are not available to attend the meetings. A delegated personnel should be sent to attend the meeting and to present the reports as subscribed in the PAC Charter.	No An apology to be sent to Internal Audit in the next PAC meeting.

- During the 2023/2024 financial year, the Performance Audit Committee took eighteen (18) resolutions, eight (08) were completed and ten (10) were not implemented.

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

APPENDICES

Provide the unique identifying number of the long term contract.	Describe the nature of the long-term contract	Indicate the total value of the Long-Term Contract	Indicate the duration of the Long-term contract (enter no. of years)	Indicate the name of the contractor(s)/ service provider(s) with whom the municipality entered into the long-term contract(s)
F(B&T)23/05/2223	APPOINTMENT OF A SERVICE PROVIDER FOR THE ADMINISTRATION OF AN ASSET REGISTER FOR THE MERA FONG CITY LOCAL MUNICIPALITY FOR A PERIOD OF THREE (3) YEARS	Rates only contract	3 Years	Infratec Consulting (PTY) Ltd
F(REV)21/04/2223	APPOINTMENT OF A SERVICE PROVIDER FOR THE COMPILATION OF THE VALUATION ROLL FOR A PERIOD OF FIVE YEARS JULY 2024 TO JUNE 2029	R 6 814 988.00	3 Years	Fair Property Valuations
F(B&T)03/07/2324	APPOINTMENT OF A MSCOA PROJECT MANAGER TO ADVISE AND MANAGE THE SOURCING AND IMPLEMENTATION OF MSCOA COMPLIANT ERP SYSTEM FOR A PERIOD OF 6 MONTHS	R 2 880 000.00	3 Years	Mfuyi Investment Holdings (PTY)LTD
CSS(FLEET)01/07/2324	APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE RENTAL OF REAR END LOADER	Rates only contract	3 Years	<ul style="list-style-type: none"> • Shula Developers • Theuwedi Trading Enterprise • Njilo Construction and Logistics • Talis Fleet (PTY) Ltd

APPENDICES

	WASTE COMPACTOR TRUCKS ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THIRTY SIX (36) MONTHS			<ul style="list-style-type: none"> • Khuwait Group (PTY) Ltd • Khabokedi Waste Management • Amandla Ethu Construction and Civils 492 (PTY) Ltd • Chamasonga Construction (PTY) Ltd • Authunsia Holdings (PTY) Ltd • Ekene Investements • Magayi Investment (PTY) Ltd • Aqua Transport & Plant Hire (PTY) Ltd • LTC Holdings • Thari Waste CC • Chippa Training Academy (PTY) Ltd • LTP Projects (PTY) Ltd • Laski Fleet Management Services
F(B&T)15/02/2223	APPOINTMENT OF A SERVICE PROVIDER FOR THE PROVISION OF BANKING SERVICES FOR A PERIOD OF FIVE (5) YEARS	Rates only contract	5 Years	Nedbank
CSS(FLEET)02/07/2324	APPOINTMENT OF A SERVICE PROVIDER FOR FULL MAINTENANCE FLEET TENDER FOR A PERIOD OF THREE (3) YEARS	Rates only contract	3 Years	Afrirrent Fleet Management

APPENDICES

MM(IA)24/05/2223	APPOINTMENT OF A PANEL OF SERVICE PROVIDERS FOR THE PROVISION OF INTERNAL AUDIT SERVICES ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THREE (3) YEARS	Rates only contract	3 Years	<ul style="list-style-type: none"> • Victorious Chartered Accountants Inc • O.M.A. Chartered Accountants • Bonakude Consulting (PTY) Ltd • CORPMD Consulting (PTY) Ltd • Inqaba Kadiya Consulting • MNB Chartered Accountants • Molefi Business Experts Consulting • Nikilitha Consulting • Pholela Business Advisory • PK Financial Consultants
CSS(ICT)09/09/2324	APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE CRITICAL ICT SERVICES FOR A PERIOD OF THREE (3) YEARS	Rates only contract	3 Years	Compusol IT Technologies (PTY) Ltd
F(CFO)08/09/2324	APPOINTMENT OF A MULTI-DISCIPLINARY TEAM FOR THE IMPLENMENTATION OF THE PAYMENT INCENTIVE SCHEME FOR THE MERA FONG LM	Rates only contract	12 Months	Ncube Incorporated Attorneys

APPENDICES

F(SCM)09/09/2324	PANEL OF CONTRACTORS FOR CLASSES OF WORKS TO BE USED ON AN AS AND WHEN REQUIRED BASIS FOR A PERIOD OF THREE YEARS WITH REGISTERED CIDB GRADINGS		3 Years	<ul style="list-style-type: none"> • Lettam Building & Civils Pty Ltd • Melisibongakonke Transport and Projects • Thaw Construction • Mxolisi Waste Management and Projects • Shwings Construction and Projects • Maleko / Immaculate JV • Theuwidi Trading Enterprise • Big Rhino Investment Pty Ltd • Aspire Safety Consultants Pty Ltd • Junox 212 CC • Xisebenene Projects • Ekene Investments CC • Lilotaki Construction Pty Ltd • Korone Engineers • Jolinkomo Trading and Projects Pty Ltd • Enza Engineering Services • Sodluli Trading and Projects Pty Ltd • Mandzu Trade & Genral Project • Mkhulu Wami (PTY) Ltd • Luonde Construction • Mavela Ngeicuphanda Trading • Kunjalo Kunje Trading • Mmatamedi Electrical and Projects JV • Mokhine Group • Buyisa Projects • Mocheke Landscapers • Sizampilo Projets Pty Ltd • Malmon Development Pty Ltd • Phuzi Civil Engineering Services Pty Ltd • Next Generation Group
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				<ul style="list-style-type: none"> • Kaneka Civil And Construction CC • New Genesis Properties And Projects • Lesedisedi Construction Supplier Enterprises • Moroka Building And Civil Specialist Pty Ltd • Baphalaborwa Projects • Step Confidence • La Mosekedile Trading Enterprise • Cinderford Investments • Oakantswe Construction And Projects • Situtulwane Lesisha Construction CC • Nkanyezi Project Solutions • Golden Rewards 1850 • Malopeni Projects • Mmasekgau Trading Projects • Rhuone Projects • Nsibandos Electrical Trading Pty Ltd • Izizhamo Zethu Civil And Construction • Zerbacraft Pty Ltd • Buyambo Projects • TJS Traders JV ORA ET Labora Multi Services • Zacks Business Enterprise Jv OPM Construction • Bakangemo Construction & Projects • Black Shepherd Pty Ltd • Raesibe Infrastructure Development • Parrot Group 69 • Tendiwanga Investments Pty Ltd • Sebcrs Pty Ltd • TTTTB Supplying And Construction
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APPENDICES

				<ul style="list-style-type: none"> • Dodong Trading Enterprise 20 • Forty Property Group • Ezwelibanzi Trading Enterprise • Halifax Kgakanoko Jv • Malindo Civil And Construction • MLG Platinum Projects Pty Ltd • Khauki Construction and Transport CC • Ramolohli Civil and Construction • Gira Trading • Abli Trading Pty Ltd • Vuikani Construction And Transport • ATT Global Group Pty Ltd • Tshau/ Bomseni JV • Taola JV • LTP projects • TPT trading and projects • Matmot • Lolly Pee Trading • On Point On Time • Sivuthumlilo Trading • Zm & Nikiwenono Construction • Mega Works Trading Enterprise • Sebenta A Consulting • Angna Valo Engeneering (Pty) Ltd • Masailor Construction • Mmazwi Civil And Construction Service • Zabest Properties (Pty) Ltd • Bono Infrastructure Facilities & Project Management • Makgopela Trading Investments • VTR Constructions CC
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				<ul style="list-style-type: none">• PK Financial Consultants• KZK General Trading• Buttis Consulting• Hlwella Trading Enterprise CC• Mdluli Production Events• Maloka Machaba Surfacing (Pty) Ltd• Amandla Construction• Rengwa JV• Patek Global
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APPENDICES

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

R' 000						
Vote Description	Year 2022/23	Current: Year 2023/24			Year 2023/24 Variance	
	Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget
Finance	280 746	1 047 126	1 117 067	1 261 069	1 117 067	1 191 195
Economic Development and Planning	3 042	3 375	3 443	2 444	3 443 723	3 513 320
Infrastructure Development	988 425	1 220 268	1 307 741	2 448 264	1 307 741	1 386 443
Community Services	173 911	152 021	158 215	304 532	158 215	160 578
Chief Operating Officer						
Shared Services	2 258	17 359	17 196	17 056	17 196	17 540
Total Revenue by Vote	1 446	2 423	2 586	4 016	6 027	6 252
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3						T K.1

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APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Revenue Collection Performance by Source						
						R '000
Description	Year 2022/2023	Year 2023/24			Year 2023/24 Variance	
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	684 563	620 246 442	695 470.4930	826 922.7100	620 246 442	-2%
Property rates - penalties & collection charges						
Service Charges - electricity revenue	276 005	343 066 411	348 218.3180	298 957.5690	343 066 411	-26%
Service Charges - water revenue	316 746	440 356 427	430 731.7590	374 450.2360	440 356 427	-36%
Service Charges - sanitation revenue	75 864	85 151 857	76 117.7750	77 181.1140	85 151 857	0%
Service Charges - refuse revenue	82 533	87 711 312	86 626.9330	81 073.5960	87 711 312	-5%
Service Charges - other						
Rentals of facilities and equipment	1 421					100%
Interest earned - external investments	12 758	-			47 271 282	100%
Interest earned - outstanding debtors	178 042	239 230 784	239 230.7840	274 508.4420	239 230 784	-34%
Dividends received						
Fines	3 022	5 125 540	2 092.2290	534.2770	5 125 540	31%
Licences and permits	1	20 001 905		1 479.9660		100%
Agency services						0%
Transfers recognised - operational	259 388	326 171 130	326 170.1300		326 171 130	-26%
Other revenue	25 496	81 846 216	353 428.6700	231 361.8400	54 576 839	-1286%
Gains on disposal of PPE						
Total Revenue (excluding capital transfers and contributions)	1 915 839 177	2 248 908 024.0	2 558 087 091.0	2 166 469 750.0	-3.81%	-18.08%
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.						T K.2

APPENDICES

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

R' 000						
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
Neighbourhood Development Partnership Grant						
Public Transport Infrastructure and Systems Grant						
<i>Other Specify:</i>						
Water Services Infrastructure Grant	40 806	38 130	8 454	-383%	-351%	Schedule 5B
Mining Town Allocation (CoGTA)	52 000	82 547	50 305	-3%	-64%	
Integrated National Electrification Program (INEP)	25 000	25 000	25 000	0%	0%	
Expanded Public Works Programme (Public Works & CoGTA)						
Total						
T L						

APPENDICES

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

Capital Expenditure - New Assets Programme*							
Description	R '000						
	Year 2022/23	Year 2023/24			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	–	–		–	–	–	–
Infrastructure: Road transport - Total	–	–		–	–	–	–
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	–	–		–	–	–	–
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	–	–		–	–	–	–
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	–	–		–	–	–	–
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	–	–		–	–	–	–
Waste Management							
Transportation							
Gas							
Other							
Community - Total	–	–		–	–	–	–
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Table continued next page							

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Capital Expenditure - New Assets Programme*							
R '000							
Description	Year 2022/23	Year 2023/24			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Heritage assets - Total	-	-		-	-	-	-
Buildings							
Other							
Investment properties - Total	-	-		-	-	-	-
Housing development							
Other							
Other assets	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets	-	-		-	-	-	-
List sub-class							
Biological assets	-	-		-	-	-	-
List sub-class							
Intangibles	-	-		-	-	-	-
Computers - software & programming							
Other (list sub-class)							
Total Capital Expenditure on new assets	-	-		-	-	-	-
Specialised vehicles	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)

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Capital Expenditure - Upgrade/Renewal Programme*							
R '000							
Description	Year 2022/23	Year 2023/24			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
Capital expenditure by Asset Class							
Infrastructure - Total	-	-		-	-	-	-
Infrastructure: Road transport -Total	-	-		-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure: Electricity - Total	-	-		-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure: Water - Total	-	-		-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure: Sanitation - Total	-	-		-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure: Other - Total	-	-		-	-	-	-
Waste Management							
Transportation							
Gas							
Other							
Community	-	-		-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
Heritage assets	-	-		-	-	-	-
Buildings							
Other							

Table continued next page

APPENDICES

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 2023/24

Capital Programme by Project by Ward: 2023/2024		
Capital Project	Ward(s) affected	Works completed (Yes/No)
Water		
Khutsong North Water & Sewer Reticulation Stage (3)	6-10	No
Khutsong North Water & Sewer Reticulation Stage (4)	6-10	No
Structurer Rehab of 007 Reservoir	18	No
Replacement of Manhole Covers Merafong	All Wards	No
Foundation Stabilisation of Addata Reservoir	?	No
Khutsong South Installation of Alternative Bulk Water Supply	1,2	Yes
Kokosi Ext 6 Sewer & Water Meters	24,26	No
Sanitation/Sewerage		
Khutsong South Ext 5 Outfall Sewer Phase 1	1,12	Yes
Kokosi Ext 7 East Outfall Sewer & WWTW	20,21	Yes
Fochville Outfall Sewer	21,24	No
Upgrading & Rehabilitation of Wedela WWTW(Phase 2)	20	No
WUL Applications for Wedela WWTW and Oberholzer WWTW	20	No
Electricity		
2x20 MVA Frikkie Substation 44/11(Change Control to Plover)	1,2	No
Merafong Solar Highmast Lights & Solar Streetlights	All Wards	No
Khutsong South Electricity	1,2	No
Housing		
Refuse removal		
Stormwater		
Khutsong Roads and Stormwater (Phase 6)	1,2	Yes
Khutsong Roads and Stormwater (Phase 7)	1,2	Yes
Khutsong Roads and Stormwater (Phase 8)	1,2	No
Kokosi Roads and Stormwater (Phase 4)(2)	24	No
Kokosi Roads and Stormwater (Phase 5)	24	Yes

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Kokosi Roads and Stormwater (Phase 6)	24,25	Yes
Kokosi Roads and Stormwater (Phase 7)	22,26	Yes
Kokosi Roads and Stormwater (Phase 8)	20,23	No
Wedela Ext 3 Roads and Stormwater (Phase 6)	20,23	Yes
Wedela Ext 3 Roads and Stormwater (Phase 7)	20,23	No
Wedela Ext 3 Roads and Stormwater (Phase 8)	20,23	No
Khutsong South Ext 5 & 6 Internal Roads and Stormwater	1,2	Yes
Sports, Arts & Culture		
Upgrading & Rehabilitation of Wedela Sport Stadium	11,23	Yes
Upgrading of Wedela Recreation Club	20,23	No
Refurbishing of Kokosi Stadium	24	No
TO		

APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
NONE				
Clinics (NAMES, LOCATIONS)				
NONE				
				TP

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APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:	68% out of 28 wards	Lack of access to proper health care facilities.
Housing:	57% out of 28 wards	Lack of access to formal houses.
Public Safety:	79% out of 28 wards	Lack of access to Police/Satellite Stations and Police visibility.
Reservoirs	75% out of 28 wards	Inadequate supply of water to formal and Informal areas.
Schools (Primary and High):	36% Primary Schools	Lack of access to schools.
	46% High Schools	
Sports Fields:	68% out of 28 wards	Lack of access to sports/recreation facilities.
Disability Centres	100% of all wards	Lack of access to Disability Centres.
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APPENDICES

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY

Declaration of Loans and Grants made by the municipality: Year 2023/24				
All Organisation or Person in receipt of Loans */Grants* provided by the municipality	Nature of project	Conditions attached to funding	Value Year 2023/24 R' 000	Total Amount committed over previous and future years
	NO LOANS OR GRANTS MADE BY THE MUNICIPALITY			
* Loans/Grants - whether in cash or in kind				T R

VOLUME II

VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Annexure A of the Annual Report.